

STATE OF CALIFORNIA  
**DEPARTMENT OF INSURANCE**  
300 Capitol Mall, 17<sup>th</sup> Floor  
Sacramento, California 95814

**NOTICE OF PROPOSED ACTION AND NOTICE OF PUBLIC HEARING**

**SEPTEMBER 1, 2023 WORKERS' COMPENSATION INSURANCE RATING  
RULES FILING**

**March 24, 2023**

**File No. REG-2023-00005**

**SUBJECT OF PROPOSED RULEMAKING**

Notice is given that a public hearing will be held in response to a filing by the Workers' Compensation Insurance Rating Bureau of California ("WCIRB"), submitted on February 27, 2023. The WCIRB proposes amendments to the Insurance Commissioner's Regulations pertaining to the Classification of Risks, Recording and Reporting of Data, Statistical Reporting and Experience Rating to be effective September 1, 2023, as follows:

- Approval of proposed amendments to the *California Workers' Compensation Uniform Statistical Reporting Plan—1995* as proposed by the WCIRB as the Insurance Commissioner's designated statistical agent.
- Approval of proposed amendments to the *Miscellaneous Regulations for the Recording and Reporting of Data—1995* as proposed by the WCIRB as the Insurance Commissioner's designated statistical agent.
- Approval of proposed amendments to the *California Workers' Compensation Experience Rating Plan—1995* as proposed by the WCIRB as the Insurance Commissioner's designated statistical agent.

The WCIRB also proposes amendments to the Insurance Commissioner's Regulations pertaining to the Classification of Risks, Recording and Reporting of Data, Statistical Reporting and Experience Rating to be effective September 1, 2024, as follows

- Approval of proposed amendments to the *California Workers' Compensation Uniform Statistical Reporting Plan—1995* as proposed by the WCIRB as the Insurance Commissioner's designated statistical agent.

## HEARING

### Public Hearing Date and Location

A virtual public hearing will be conducted to permit all interested persons the opportunity to present statements or arguments, verbally or in writing, with respect to the matters proposed in the WCIRB's filing, at the following date, time and place:

April 24, 2023 – 10:00 A.M.  
California Department of Insurance

### TO ATTEND VIRTUAL HEARING VIA ONLINE PLATFORM

Link to Register for the Web-based Virtual Format:

[https://us06web.zoom.us/webinar/register/WN\\_dQW--hNpTbapobgYDZkXYg](https://us06web.zoom.us/webinar/register/WN_dQW--hNpTbapobgYDZkXYg)

Meeting Name: September 1, 2023 Workers' Compensation Insurance  
Classification and Rating Rules

### TO ATTEND VIRTUAL HEARING BY TELEPHONE

To join by telephone dial:  
**USA 215 446 3649 US Toll**  
**USA 888 557 8511 US Toll-free**  
**Conference code: 832767**

Any interested person(s) may present oral testimony at the virtual web conference hearing during the public comment period. Participants will be given instructions on how to provide testimony once they have accessed the hearing.

Individuals attending the virtual hearing via the online platform must register with the virtual web conference provider using a valid e-mail address in order to attend the hearing.

Individuals attending the virtual hearing by telephone only will not be able to view the hearing, and will be placed on mute. Telephonic attendees who wish to make oral comments at the public hearing must, either in advance or at the time of the hearing, notify the Department by e-mail to: [CDIRegulations@insurance.ca.gov](mailto:CDIRegulations@insurance.ca.gov) and provide the telephone number that they will use at the hearing so that the hearing officers can identify those callers who would like to comment.

The hearing will continue on the date noted above until all testimony has been submitted or until 5:00 P.M., whichever is earlier.

### Access to Virtual Public Hearing

This hearing will be open to the public. To make it possible to view and participate in the public hearing online, you must register with the web-based virtual conferencing application identified above, using a valid e-mail address. We request

that you provide your name(s), the name of the organization you represent, and your contact information, including email address. Providing personally identifiable information is not required to attend the hearing and all attendees are invited to participate regardless of whether such information has been provided. Alternatively, you may attend and participate telephonically. We request that if you wish to provide oral comments telephonically, that you e-mail us either in advance of or at the time of the hearing and provide the telephone number you will use at the hearing.

The public hearing is accessible to persons with mobility impairment. Persons with sight or hearing impairments are requested to notify the contact person for this hearing (listed below) in order to make specific arrangements, if necessary.

## **WRITTEN COMMENT PERIOD**

### **Presentation of Written or Oral Comments; Contact Persons**

All persons are invited to submit written comments on the proposed regulations during the public comment period. The public comment period will end at **5:00 p.m. on Monday, April 24, 2023**. Please direct all written comments to the following contact person:

Yvonne Hauscarriague, Attorney  
California Department of Insurance  
1901 Harrison St., 6<sup>th</sup> Floor  
Oakland, CA 94612  
Telephone: (415) 538-4417  
Yvonne.Hauscarriague@insurance.ca.gov

Questions regarding procedure, comments, or the substance of the proposed action should be addressed to the above contact person. If she is unavailable, inquiries may be addressed to the following backup contact person:

Patricia Hein, Assistant Chief Counsel  
California Department of Insurance  
1901 Harrison St., 6<sup>th</sup> Floor  
Oakland, CA 94612  
Telephone: (415) 538-4430  
Patricia.Hein@insurance.ca.gov

Please note that under the California Public Records Act (Government Code Section 6250, et seq.), your written and oral comments, and associated contact information (e.g., your address, phone number, e-mail, etc.) become part of the public record and can be released to the public upon request.

## **Deadline for Written Comments**

All written materials must be received by the Insurance Commissioner, addressed to the contact person at the address listed above, no later than **5:00 p.m. on Monday, April 24, 2023**. Any written materials received after that time may not be considered.

## **Comments Transmitted by E-Mail or Facsimile**

The Commissioner will accept written comments transmitted by e-mail provided they are sent to the following e-mail address: Yvonne.Hauscarriague@insurance.ca.gov. The Commissioner will also accept written comments transmitted by facsimile provided they are directed to the attention of Yvonne Hauscarriague and sent to the following facsimile number: (415) 904-5490. **Comments sent to e-mail addresses or facsimile numbers other than those designated in this notice will not be accepted. Comments sent by e-mail or facsimile are subject to the deadline set forth above for written comments.**

## **PROCEEDINGS NOT SUBJECT TO ADMINISTRATIVE PROCEDURE ACT**

The regulations contained in the *California Workers' Compensation Uniform Statistical Reporting Plan—1995*, the *Miscellaneous Regulations for the Recording and Reporting of Data—1995*, and the *California Workers' Compensation Experience Rating Plan—1995* pertain to the establishment of workers' compensation insurance rates. Government Code Section 11340.9(g) states that the Administrative Procedure Act [Chapter 3.5 of the Government Code] shall not apply to regulations that establish or fix rates, prices, or tariffs, and the Office of Administrative Law has determined that these regulations are excluded from the requirements of the Administrative Procedure Act.

This Notice and any accompanying documents are being offered by the Commissioner to obtain written public comment before the Commissioner determines whether to approve the amendments to these regulations. The Commissioner shall issue an Order regarding his determination pursuant to Insurance Code Section 11734.

## **AUTHORITY AND REFERENCE**

### Uniform Plans and Regulations

The workers' compensation classification of risks and statistical reporting rules are set forth in Title 10, California Code of Regulations, Section 2318.6. The miscellaneous regulations for the recording and reporting of data are set forth in Title 10, California Code of Regulations, Section 2354. The workers' compensation experience rating regulations are set forth in Title 10, California Code of Regulations, Section 2353.1. These regulations are promulgated by the Insurance Commissioner pursuant to the authority granted by Insurance Code Section 11734.

## INFORMATIVE DIGEST

Pursuant to Insurance Code Sections 11734 and 11751.5, the Insurance Commissioner has designated the WCIRB as his statistical agent. As the designated statistical agent, the WCIRB collects insurer data and recommends revisions to the *California Workers' Compensation Uniform Statistical Reporting Plan—1995*; the *Miscellaneous Regulations for the Recording and Reporting of Data—1995*; and the *California Workers' Compensation Experience Rating Plan—1995* for approval. Adherence to the regulations contained in the *California Workers' Compensation Uniform Statistical Reporting Plan—1995*, the *Miscellaneous Regulations for the Recording and Reporting of Data—1995*, and the *California Workers' Compensation Experience Rating Plan—1995* is mandatory for insurers. However, Insurance Code Section 11734 provides that an insurer may develop its own classification system if it is filed with the Insurance Commissioner 30 days prior to its use and is not disapproved by the Insurance Commissioner for failure to demonstrate that the data produced by the insurer's classification system can be reported consistently with the *California Workers' Compensation Uniform Statistical Reporting Plan—1995* or the standard classification system developed by the WCIRB and approved by the Insurance Commissioner.

The amendments to the *California Workers' Compensation Uniform Statistical Reporting Plan—1995*, the *Miscellaneous Regulations for the Recording and Reporting of Data—1995*, and the *California Workers' Compensation Experience Rating Plan—1995* are summarized below.

### **Amendments to the *California Workers' Compensation Uniform Statistical Reporting Plan—1995*, Title 10, California Code of Regulations, Section 2318.6 Effective September 1, 2023**

1. Amend Part 1, *General Provisions*, Section I, *Introduction*, Rule 3, *Effective Date*, to show that the effective date of the amended Uniform Statistical Reporting Plan is 12:01 AM, September 1, 2023.
2. Amend Part 3, *Standard Classification System*, Section IV, *Special Industry Classification Procedures*, Rule 5, *Stores*, Subrule e to clarify its intended application.
3. Amend Part 3, Section V, *Payroll – Remuneration*, Rule 1, *Payroll – Remuneration*, Subrule j, *Executive Officers*, Subrule k, *Partners*, Subrule l, *Individual Employers*, and Subrule m, *Members of a Limited Liability Company*, to adjust the minimum and maximum payroll limitations for executive officers, partners, individual employers and members of a limited liability company to reflect wage inflation since the minimum and maximum payroll limitations were last amended in 2022.
4. Amend Part 3, Section VII, *Standard Classifications*, Rule 2, *Standard Classifications*, as follows:

- Amend Classification 7421, *Aircraft Operation – transportation of personnel in the business of an employer not otherwise engaged in aircraft operation*, which is part of the Aircraft Operation Industry Group, to clarify the intended application.
- Amend Classification 9016(1), *Amusement or Recreational Facilities – N.O.C. – all employees other than those engaged in the operation or maintenance of amusement devices, restaurants or retail stores*, for consistency with other proposed changes.
- Amend Classification 9181, *Athletic Teams or Athletic Facilities – players, umpires, referees and game officials*, to increase the annual payroll limitation for players from \$149,500 to \$154,700 per player per season to reflect wage inflation since the payroll limitation was last amended in 2022.
- Amend Classification 7607(2), *Audio Post-Production*, to increase the annual payroll limitation from \$149,500 to \$154,700 per person to reflect wage inflation since the payroll limitation was last amended in 2022.
- Amend Classification 8803, *Auditing, Accounting or Management Consulting Services*, to increase the annual payroll limitation from \$149,500 to \$154,700 per person to reflect wage inflation since the payroll limitation was last amended in 2022.
- Amend Classification 8391, *Automobile or Truck Dealers – all employees other than vehicle salespersons*, which is part of the Automotive Industry Group, to clarify the intended application and provide direction as to how related operations should be classified.
- Amend Classification 8748, *Automobile or Truck Dealers – vehicle salespersons*, which is part of the Automotive Industry Group, to clarify the intended application and provide direction as to how related operations should be classified.
- Amend Classification 8808, *Banks*, to increase the annual payroll limitation from \$149,500 to \$154,700 per person to reflect wage inflation since the payroll limitation was last amended in 2022.
- Amend Classification 3647(1), *Battery Mfg.*, to clarify the intended application and provide direction as to how related operations should be classified.
- Amend Classification 9016(4), *Boat Marina and Boat Rental Operation*, for consistency with other proposed changes.
- Amend Classification 9048(1), *Camps*, to include retreat facilities, provide direction as to how related operations should be classified and for clarity.

- Amend Classification 9015(4), *Churches, Temples, Mosques and Synagogues – all employees other than clergy, professional assistants, organists, members of choir, Clerical Office Employees or Clerical Telecommuter Employees*, to provide direction as to how related operations should be classified and for consistency with other proposed changes.
- Amend Classification 8840, *Churches, Temples, Mosques and Synagogues – clergy, professional assistants, organists or members of choir*, to provide direction as to how related operations should be classified and for consistency with other proposed changes.
- Amend Classification 9067(2), *Clubs – boys and girls*, for consistency with other proposed changes.
- Amend Classification 9067(1), *Clubs – community health and wellness*, for consistency with other proposed changes.
- Amend Classification 9060, *Clubs – country or golf*, to include yacht clubs and provide direction as to how related operations should be classified.
- Amend Classification 9061, *Clubs – N.O.C.*, to (1) clarify the intended application, (2) reassign yacht club operations to Classification 9060, *Clubs – country or golf*, (3) reassign retreat facility operations to Classification 9048(1), *Camps*, and (4) for consistency with other proposed changes.
- Amend Classification 9053(5), *Clubs – racquet sports*, for consistency with other proposed changes.
- Amend Classification 9101, *Colleges or Schools – private – not automobile schools – all employees other than professors, teachers, or academic professional employees*, to clarify how related operations should be classified.
- Amend Classification 8868, *Colleges or Schools – private – not automobile schools – professors, teachers or academic professional employees*, for consistency with other proposed changes and to clarify the intended application and how related operations should be classified.
- Amend Classification 5193, *Computer or Telephone System or Equipment Installation, Service or Repair*, to clarify the intended application.
- Amend Classification 8859(1), *Computer Programming or Software Development*, to increase the annual payroll limitation from \$149,500 to \$154,700 per person to reflect wage inflation since the payroll limitation was last amended in 2022.
- Amend Classification 5205(2), *Concrete or Cement Work – pouring or finishing of concrete floor slabs, poured in place and on the ground, and*

*concrete slab-type foundations, for other than concrete buildings or structural steel buildings of multi-story construction, for consistency with previously approved changes.*

- Amend Classification 8801, *Credit Unions*, to increase the annual payroll limitation from \$149,500 to \$154,700 per employee to reflect wage inflation since the payroll limitation was last amended in 2022.
- Amend Classification 9059, *Day Care Centers*, for consistency with other proposed changes.
- Amend Classification 3569, *Electric Motor Mfg. or Repair*, to clarify the intended application and provide direction as to how related operations should be classified.
- Amend Classification 8874(4), *Audio/Video Electronic Products Mfg. – hardware or software design or development*, which is part of the Electronics Industry Group, to increase the annual payroll limitation from \$149,500 to \$154,700 per person to reflect wage inflation since the payroll limitation was last amended in 2022.
- Amend Classification 3681(2), *Computer or Computer Peripheral Equipment Mfg. – all other employees*, which is part of the Electronics Industry Group, to clarify the intended application and for consistency with other proposed changes.
- Amend Classification 8874(2), *Computer or Computer Peripheral Equipment Mfg. – hardware or software design or development*, which is part of the Electronics Industry Group, to increase the annual payroll limitation from \$149,500 to \$154,700 per person to reflect wage inflation since the payroll limitation was last amended in 2022.
- Amend Classification 3179, *Electrical Apparatus Mfg. – N.O.C.*, which is part of the Electronics Industry Group, to clarify the intended application.
- Amend Classification 8874(1), *Instrument Mfg. – electronic – professional or scientific – hardware or software design or development*, which is part of the Electronics Industry Group, to increase the annual payroll limitation from \$149,500 to \$154,700 per person to reflect wage inflation since the payroll limitation was last amended in 2022.
- Amend Classification 8874(5), *Integrated Circuit and Semiconductor Wafer Mfg. – hardware or software design or development*, which is part of the Electronics Industry Group, to increase the annual payroll limitation from \$149,500 to \$154,700 per person to reflect wage inflation since the payroll limitation was last amended in 2022.

- Amend Classification 8874(3), *Telecommunications Equipment Mfg. – hardware or software design or development*, which is part of the Electronics Industry Group, to increase the annual payroll limitation from \$149,500 to \$154,700 per person to reflect wage inflation since the payroll limitation was last amended in 2022.
- Amend Classification 8601(1), *Engineers*, to increase the annual payroll limitation from \$149,500 to \$154,700 per person to reflect wage inflation since the payroll limitation was last amended in 2022.
- Amend Classifications 6218(1)/6220(1), *Excavation – N.O.C.*, to decrease the hourly wage threshold from \$39.00 to \$38.00 per hour to reflect updated wage information since the threshold was last amended in 2022.
- Amend Classification 8870, *Fitness Instruction Programs or Studios*, for consistency with other proposed changes.
- Amend Classification 2102, *Fruit or Vegetable Evaporation or Dehydrating*, which is part of the Food Packaging and Processing Industry Group, for consistency with previously approved changes.
- Amend Classification 8601(4), *Forest Engineers*, to increase the annual payroll limitation from \$149,500 to \$154,700 per person to reflect wage inflation since the payroll limitation was last amended in 2022.
- Amend Classification 3339, *Foundries – investment casting*, for clarity and consistency.
- Amend Classification 3081, *Foundries – iron*, to provide direction as to how related operations should be classified and for clarity and consistency.
- Amend Classification 3085, *Foundries – nonferrous*, to provide direction as to how related operations should be classified and for clarity and consistency.
- Amend Classification 3082, *Foundries – steel castings*, to provide direction as to how related operations should be classified and for clarity and consistency.
- Amend Classifications 6315(2)/6316(2), *Gas Mains or Connections Construction*, to decrease the hourly wage threshold from \$39.00 to \$38.00 per hour to reflect updated wage information since the threshold was last amended in 2022.
- Amend Classifications 6218(2)/6220(2), *Grading Land*, to decrease the hourly wage threshold from \$39.00 to \$38.00 per hour to reflect updated wage information since the threshold was last amended in 2022.

- Amend Classification 9050, *Hotels, Motels or Short-Term Residential Housing*, to provide direction as to how related operations should be classified.
- Amend Classification 8822, *Insurance Companies*, to increase the annual payroll limitation from \$149,500 to \$154,700 per person to reflect wage inflation since the payroll limitation was last amended in 2022.
- Amend Classification 8859(2), *Internet or Web-Based Application Development or Operation*, to increase the annual payroll limitation from \$149,500 to \$154,700 per person to reflect wage inflation since the payroll limitation was last amended in 2022.
- Amend Classification 9008, *Janitorial Services*, to clarify the intended application and provide direction as to how related operations are classified.
- Amend Classification 8755, *Labor Unions*, to clarify the intended application.
- Amend Classification 2702(2), *Land Clearing*, to clarify the intended application and provide direction as to how related operations should be classified.
- Amend Classifications 6218(3)/6220(3), *Land Leveling*, to decrease the hourly wage threshold from \$39.00 to \$38.00 per hour to reflect updated wage information since the threshold was last amended in 2022.
- Amend Classification 0042, *Landscape Gardening*, to clarify the intended application and provide direction as to how related operations are classified.
- Amend Classification 8820, *Law Firms*, to increase the annual payroll limitation from \$149,500 to \$154,700 per person to reflect wage inflation since the payroll limitation was last amended in 2022.
- Amend Classification 8232(1), *Lumberyards*, for clarity and consistency with other proposed changes.
- Amend Classification 8749, *Mortgage Bankers*, to increase the annual payroll limitation from \$149,500 to \$154,700 per person to reflect wage inflation since the payroll limitation was last amended in 2022.
- Amend Classification 8743, *Mortgage Brokers*, to increase the annual payroll limitation from \$149,500 to \$154,700 per person to reflect wage inflation since the payroll limitation was last amended in 2022.
- Amend Classification 9610, *Motion Pictures – production*, to increase the annual payroll limitation for actors, musicians, producers and the motion picture director from \$149,500 to \$154,700 per person to reflect wage inflation since the payroll limitation was last amended in 2022.

- Amend Classification 5191, *Office Machine or Point of Sale Equipment Installation, Service or Repair*, for consistency with other proposed changes.
- Amend Classification 8601(2), *Oil or Gas Geologists or Scouts*, which is part of the Petroleum Industry Group, to increase the annual payroll limitation from \$149,500 to \$154,700 per person to reflect wage inflation since the payroll limitation was last amended in 2022.
- Amend Classification 2840(1), *Picture Frame Assembly*, for clarity and consistency with other proposed changes.
- Amend Classification 2840(2), *Picture or Artwork Framing*, for clarity and consistency with other proposed changes.
- Amend Classification 2731, *Planing or Moulding Mills*, to clarify the intended application.
- Amend Classification 8746, *Newspaper Publishing or Printing – reporters or photographers*, which is part of the Printing, Publishing and Duplicating Industry Group, to provide direction as to how related operations should be classified.
- Amend Classification 8741, *Real Estate Agencies*, which is part of the Property Management/Operation Industry Group, to increase an employee's annual payroll limitation from \$149,500 to \$154,700 per person to reflect wage inflation since the payroll limitation was last amended in 2022.
- Amend Classification 7610, *Radio, Television or Commercial Broadcasting Stations*, to increase the annual payroll limitation for on-air personalities, entertainers and musicians from \$149,500 to \$154,700 per person to reflect wage inflation since the payroll limitation was last amended in 2022.
- Amend Classification 9096, *Residential Cleaning Services*, for clarity and consistency with other proposed changes.
- Amend Classification 2710(1), *Sawmills or Shingle Mills*, for clarity and consistency with other proposed changes.
- Amend Classifications 6307/6308, *Sewer Construction*, to decrease the hourly wage threshold from \$39.00 to \$38.00 per hour to reflect updated wage information since the threshold was last amended in 2022.
- Amend Classification 8062, *Stores – computer*, which is part of the Stores Industry Group, to clarify the intended application, provide direction as to how related operations should be classified and for consistency with other proposed changes.
- Amend Classification 8039, *Stores – department stores*, which is part of the Stores Industry Group, to increase the payroll limitation from \$1,200,000 to

\$1,300,000 per annum to reflect wage inflation since the payroll limitation was last amended in 2021.

- Amend Classification 2501(4), *Tailoring*, for clarity.
  - Amend Classification 7365, *Taxicab Operations*, to increase the minimum annual payroll per taxicab from \$41,000 to \$42,400 to reflect wage inflation since the threshold was last amended in 2022.
  - Amend Classification 9156, *Theaters – dance, opera or theater companies*, to increase the annual payroll limitation for performers and directors of performers from \$149,500 to \$154,700 per person to reflect wage inflation since the payroll limitation was last amended in 2022.
  - Amend Classification 9151, *Theaters – musical entertainment*, to increase the annual payroll limitation for performers and directors of performers from \$149,500 to \$154,700 per person to reflect wage inflation since the payroll limitation was last amended in 2022.
  - Amend Classification 7607(1), *Video Post-Production*, to increase the annual payroll limitation from \$149,500 to \$154,700 per person to reflect wage inflation since the payroll limitation was last amended in 2022.
  - Amend Classifications 6315(1)/6316(1), *Water Mains or Connections Construction*, to decrease the hourly wage threshold from \$39.00 to \$38.00 per hour to reflect updated wage information since the threshold was last amended in 2022.
5. Amend Part 3, Section VIII, *Abbreviated Classifications – Numeric Listing*, for consistency with other proposed changes.

**Amendment to the *Miscellaneous Regulations for the Recording and Reporting of Data—1995*, Title 10, California Code of Regulations, Section 2354**

**Effective September 1, 2023**

1. Amend Part 1, *General Provisions*, Section I, *Introduction*, Rule 2, *Effective Date*, to show that the effective date of the amended Miscellaneous Regulations is 12:01 AM, September 1, 2023.

**Amendments to the *California Workers' Compensation Experience Rating Plan—1995*, Title 10, California Code of Regulations, Section 2353.1  
Effective September 1, 2023**

1. Amend Section I, *General Provisions*, Rule 2, *Effective Date*, to show that the effective date of the amended Experience Rating Plan is 12:01 AM, September 1, 2023.
2. Amend Section III, *Eligibility and Experience Period*, Rule 1, *Eligibility Requirements for California Workers' Compensation Insurance*, to adjust the eligibility threshold from \$9,200 to \$10,200 to reflect wage inflation and the proposed September 1, 2023 expected loss rates.
3. Amend Section IV, *Change in Status and Combination of Entities*, Rule 2, *Combination of Entities*, for consistency with naming conventions for rules.
4. Amend Table I, *Expected Loss Rates and D-Ratios*, to reflect the most current data available.
5. Amend Table II, *Primary Thresholds*, to reflect the most current data available.

**Amendments to the *California Workers' Compensation Uniform Statistical Reporting Plan—1995*, Title 10, California Code of Regulations, Section 2318.6  
Effective September 1, 2024**

1. Amend Part 3, *Standard Classification System*, Section III, *General Classification Procedures*, Rule 2, *Single Enterprise*, for clarity and consistency with other proposed changes.
2. Amend Part 3, Section IV, *Special Industry Classification Procedures*, Rule 5, *Stores*, subrules e and f, for consistency with other proposed changes.
3. Amend Part 3, Section VII, *Standard Classifications*, Rule 1, *Classification Section*, subrule a, *Industry Groups*, to reflect the proposed establishment of Food and Beverage Service as an industry group and to renumber the subsequent listings in the Rule.
4. Amend Part 3, Section VII, Rule 2, *Standard Classifications*, as follows:
  - Amend Classification 9016(1), *Amusement or Recreational Facilities – N.O.C. – all employees other than those engaged in the operation or maintenance of amusement devices, restaurants or retail stores*, for consistency with other proposed changes.
  - Amend Classification 9180(1), *Amusement or Recreational Facilities – N.O.C. – operation or maintenance of amusement devices*, to provide direction as to how related operations should be classified and for consistency with other proposed changes.

- Amend Classification 9182, *Athletic Teams or Athletic Facilities – all employees other than players, umpires, referees and game officials*, to provide direction as to how related operations should be classified and for consistency with other proposed changes.
- Establish a new cross-reference for Classification 9084, *Bars or Taverns*, to be part of the proposed Food and Beverage Service Industry Group, for consistency with other proposed changes.
- Amend Classification 8078(2), *Beverage Preparation Shops*, to be included as part of the proposed Food and Beverage Service Industry Group and to provide direction as to how related operations should be classified.
- Establish a new cross-reference for Classification 8078(2), *Beverage Preparation Shops*, to be part of the proposed Food and Beverage Service Industry Group, for consistency with other proposed changes.
- Amend Classification 9092(2), *Billiard Halls*, to include bar employees and provide direction as to how related operations should be classified.
- Amend Classification 4512, *Biomedical Research Laboratories*, to limit an employee's annual payroll and direct that the maximum payroll amount shall be prorated based upon the number of weeks in the policy period when the policy is in force for less than a 12-month period.
- Amend Classification 9016(4), *Boat Marina and Boat Rental Operation*, for consistency with other proposed changes.
- Amend Classification 9092(1), *Bowling Centers*, to include bar employees and provide direction as to how related operations should be classified.
- Establish a new cross-reference for Classification 9082, *Caterers*, to be part of the proposed Food and Beverage Service Industry Group, for consistency with other proposed changes.
- Amend Classification 9060, *Clubs – country or golf*, to include bar employees and for consistency with other proposed changes.
- Amend Classification 9069, *Clubs – gaming*, to include bar employees for consistency with other proposed changes.
- Amend Classification 9061, *Clubs – N.O.C.*, to include bar employees for consistency with other proposed changes.
- Amend Classification 9053(5), *Clubs – racquet sports*, to include bar or tavern employees for consistency with other proposed changes.
- Amend Classification 7207(2), *Clubs – riding*, to provide direction as to how related operations should be classified.

- Amend Classification 9079(2), *Concessionaires*, to be included as part of the proposed Food and Beverage Service Industry Group, to establish a unique classification for these operations to eliminate confusion and for consistency with other proposed changes.
- Establish a new cross-reference for Classification 9081(2), *Concessionaires*, to be part of the proposed Food and Beverage Service Industry Group, for consistency with other proposed changes.
- Amend Classification 9016(2), *Dog Shows*, for consistency with other proposed changes.
- Establish Classification 9084, *Bars or Taverns*, to be included as part of the proposed Food and Beverage Service Industry Group, to apply to each separate and distinct bar, tavern, lounge or nightclub that operates under license types 42, 48 or 61, and to beer tasting or taproom locations.
- Establish Classification 9082, *Caterers*, to be included as part of the proposed Food and Beverage Service Industry Group, to apply to employers engaged in the preparation, delivery and set-up or service of hot and cold food at customer-specified locations for weddings, conferences, parties, meetings or similar events.
- Establish Classification 9083, *Restaurants – fast food or fast casual*, to be included as part of the proposed Food and Beverage Service Industry Group, to apply to each separate and distinct restaurant with limited table service that prepares hot and cold food and may pour and serve alcoholic beverages for consumption by the walk-in trade on or away from the premises.
- Establish Classification 9080, *Restaurants – full service*, to be included as part of the proposed Food and Beverage Service Industry Group, to apply to each separate and distinct restaurant that has full table service, prepares and serves hot and cold food and may pour and serve alcoholic beverages for consumption by the walk-in trade on or away from the premises.
- Establish Classification 9081(1), *Restaurants – N.O.C.*, to be included as part of the proposed Food and Beverage Service Industry Group, to apply to restaurants that are not more specifically described by another Food and Beverage Service Industry Group classification.
- Amend Classification 2003, *Bakeries or Cracker Mfg.*, which is part of the Food Packaging and Processing Industry Group, for consistency with other proposed changes, to clarify the intended application and provide direction as to how related operations should be classified.
- Amend Classification 2121, *Breweries*, which is part of the Food Packaging and Processing Industry Group, for clarity and consistency with other

proposed changes and to provide direction as to how related operations should be classified.

- Amend Classification 2142(2), *Distilling*, which is part of the Food Packaging and Processing Industry Group, for consistency with other proposed changes and to provide direction as to how related operations should be classified.
- Amend Classification 6504, *Food Products Mfg. or Processing*, which is part of the Food Packaging and Processing Industry Group, for clarity and consistency with other proposed changes, to clarify the intended application and to provide direction as to how related operations should be classified.
- Amend Classification 2142(1), *Wineries*, which is part of the Food Packaging and Processing Industry Group, for consistency with other proposed changes and to provide direction as to how related operations should be classified.
- Amend Classification 8839, *Dental or Orthodontia Practices*, which is part of the Health and Human Services Industry Group, to limit an employee's annual payroll and direct that the maximum payroll amount shall be prorated based upon the number of weeks in the policy period when the policy is in force for less than a 12-month period.
- Amend Classification 9043, *Hospitals*, which is part of Health and Human Services Industry Group, to limit an employee's annual payroll and direct that the maximum payroll amount shall be prorated based upon the number of weeks in the policy period when the policy is in force for less than a 12-month period.
- Amend Classification 8834, *Physician's Practices and Outpatient Clinics*, which is part of Health and Human Services Industry Group, to limit an employee's annual payroll and direct that the maximum payroll amount shall be prorated based upon the number of weeks in the policy period when the policy is in force for less than a 12-month period.
- Amend Classification 9053(2), *Health Clubs or Gyms*, to include bar or tavern employees for consistency with other proposed changes.
- Amend Classification 9016(3), *Horse Shows or Rodeos – all employees other than stable employees and employees engaged in the operation or maintenance of amusement devices, restaurants or retail stores*, for consistency with other proposed changes.
- Amend Classification 9050, *Hotels, Motels or Short-Term Residential Housing*, for clarity and consistency with other proposed changes and to reference the corresponding proposed companion Classification 9058, *Hotels, Motels or Short-Term Residential housing – food or beverage employees*.

- Establish Classification 9058, *Hotels, Motels or Short-Term Residential Housing – food or beverage employees*, as a companion classification to apply to employees engaged exclusively in food or beverage operations in connection with hotel, motel or short-term residential housing operations assigned to Classification 9050, *Hotel, Motel or Short-term Residential Housing*.
- Amend Classification 8078(3), *Ice Cream or Frozen Yogurt Shops*, to be included as part of the proposed Food and Beverage Service Industry Group and provide direction as to how related operations should be classified.
- Establish a new cross-reference for Classification 8078(3), *Ice Cream or Frozen Yogurt Shops*, to be part of the proposed Food and Beverage Service Industry Group, for consistency with other proposed changes.
- Amend Classification 9033, *Housing Authorities*, which is part of the Municipal, State or Other Public Agencies Industry Group, to remove a footnote that is no longer necessary for consistency with other proposed changes.
- Amend Classification 8838, *Museums*, to include the operation of bars or taverns for consistency with other proposed changes.
- Amend Classification 4297(1), *Electronic Pre-Press*, which is part of the Printing, Publishing and Duplicating Industry Group, to limit an employee's annual payroll and direct that the maximum payroll amount shall be prorated based upon the number of weeks in the policy period when the policy is in force for less than a 12-month period.
- Amend Classification 4297(2), *Graphic Design*, which is part of the Printing, Publishing and Duplicating Industry Group, to limit an employee's annual payroll and direct that the maximum payroll amount shall be prorated based upon the number of weeks in the policy period when the policy is in force for less than a 12-month period.
- Amend Classification 8807, *Newspaper, Magazine or Book Publishing*, which is part of the Printing, Publishing and Duplicating Industry Group, to limit an employee's annual payroll and direct that the maximum payroll amount shall be prorated based upon the number of weeks in the policy period when the policy is in force for less than a 12-month period.
- Amend Classification 9011(1), *Apartment or Condominium Complex Operation – N.O.C. – not Homeowners Associations – all other employees*, which is part of the Property Management/Operation Industry Group, to provide direction as to how related operations should be classified.
- Amend Classification 9007, *Apartment or Condominium Complex Operation for Seniors – age restricted – not Congregate Living Facilities or*

*Homeowners Associations – all other employees*, which is part of the Property Management/Operation Industry Group, to provide direction as to how related operations should be classified.

- Amend Classification 9015(1), *Building Operation – N.O.C. – all other employees*, which is part of the Property Management/Operation Industry Group, to provide direction as to how related operations should be classified.
- Amend Classification 9011(2), *Commercial and Residential Mixed-Use Building Operation – not Homeowners Associations – all other employees*, which is part of the Property Management/Operation Industry Group, to provide direction as to how related operations should be classified.
- Amend Classification 9009, *Commercial Properties – N.O.C. – all other employees*, which is part of the Property Management/Operation Industry Group, to provide direction as to how related operations should be classified.
- Amend Classification 9010, *Mobile Home Park Operation – all other employees*, which is part of the Property Management/Operation Industry Group, to provide direction as to how related operations should be classified.
- Amend Classification 9066, *Homeowners Associations and Housing Cooperatives*, which is part of the Property Management/Operation Industry Group, for clarity and consistency with other proposed changes.
- Establish a new cross-reference for Classification 9083, *Restaurants – fast food or fast casual*, to be part of the proposed Food and Beverage Service Industry Group, for consistency with other proposed changes.
- Establish a new cross-reference for Classification 9080, *Restaurants – full service*, to be part of the proposed Food and Beverage Service Industry Group, for consistency with other proposed changes.
- Establish a new cross-reference for Classification 9081(1), *Restaurants – N.O.C.*, to be part of the proposed Food and Beverage Service Industry Group, for consistency with other proposed changes.
- Eliminate Classification 9079(1), *Restaurants or Taverns*, and reassign the operations described by this classification to Classifications 9081(1), *Restaurants – N.O.C.*, 9058, *Hotels, Motels or Short-Term Residential Housing – food or beverage employees*, 9084, *Bars or Taverns*, 9083, *Restaurants – fast food or fast casual*, 9080, *Restaurants – full service*, or 9082, *Caterers*, based on the operations performed.
- Amend Classification 8078(1), *Sandwich Shops*, to be included as part of the proposed Food and Beverage Service Industry Group, for clarity and consistency with other proposed changes and to provide direction as to how related operations should be classified.

- Establish a new cross-reference for Classification 8078(1), *Sandwich Shops*, to be part of the proposed Food and Beverage Service Industry Group, for consistency with other proposed changes.
- Amend Classification 9180(2), *Shooting Clubs or Shooting Ranges*, to provide direction as to how related operations should be classified.
- Amend Classification 9092(3), *Skating Centers*, to include bar employees and provide direction as to how related operations should be classified.
- Amend Classification 9184, *Ski Resorts*, for consistency with other proposed changes.
- Amend Classification 9054, *Spas or Baths*, to include bar or tavern employees for consistency with other proposed changes.
- Amend Classification 8017(1), *Stores – retail*, which is part of the Stores Industry Group, to remove the reference that preparation or serving of hot foods shall be separately classified as the direction is already included in the Special Industry Classification Procedures for Stores.
- Amend Classification 9053(3), *Swimming Pools or Swimming Clubs* to include bar or tavern employees for consistency with other proposed changes.
- Amend Classification 9155, *Theaters – motion picture*, to include bar operations and provide direction as to how related operations should be classified.
- Amend Section VIII, *Abbreviated Classifications – Numeric Listing*, for consistency with other proposed changes.

## **CONTACT PERSON**

The name and telephone number of the agency representative and designated contact person are listed above under “WRITTEN COMMENT PERIOD.”

## **AVAILABILITY STATEMENTS**

The Commissioner has prepared an Informative Digest included in this Notice that sets forth a summary and the reasons for the proposed regulations. Upon request to the contact persons above, the text of the proposed regulations shall be made available for inspection and copying.

The file for this action, which includes a copy of the proposed regulations, the WCIRB’s filing, and any supplemental information, is contained in the Rulemaking File: REG-2023-00005 and is available for inspection and copying by prior appointment at 1901 Harrison Street, 6th Floor, Oakland, California 94612, between the hours of 9:00 A.M. and 5:00 P.M., Monday through Friday.

The express terms of the proposed regulations as contained in the WCIRB's filing may also be viewed or downloaded from the Regulatory Filings section of the WCIRB website: [www.wcirb.com](http://www.wcirb.com).

### **INTERNET ACCESS**

Documents concerning these proposed regulations are available on the Department's website at the following link: [www.insurance.ca.gov/0250-insurers/0500-legal-info/0200-regulations/proposed-regulations.cfm](http://www.insurance.ca.gov/0250-insurers/0500-legal-info/0200-regulations/proposed-regulations.cfm).

### **APPROVAL OF REGULATIONS**

Following the time period to receive written comment, the Insurance Commissioner may approve regulations substantially as described in this Notice and Informative Digest, or he may approve modified regulations or refuse to approve the regulations. Notice of the Insurance Commissioner's action will be sent to all persons who have requested notice of the Commissioner's action.