

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**

**JANUARY 1, 2021 WORKERS' COMPENSATION INSURANCE RATING  
RULES FILING**

**July 1, 2020**

**File No. REG-2020-00013**

**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 June 25, 2020. 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 January 1, 2021, 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.

**HEARING**

**Public Hearing Date and Location**

A 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:

**July 29, 2020 – 10:00 A.M.**  
**California Department of Insurance**  
**TELEPHONIC PARTICIPATION ONLY**  
**TOLL-FREE TELEPHONE NUMBER: 877-336-4440**  
**Access Code: 6027188**

**Participants will be given instructions on how to provide testimony once they have accessed the hearing.** 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 Telephonic Conference Call**

This hearing will be open to the public. To make it possible for the Department to advise attendees of future rulemaking activity, as well as to aid the Department of Insurance in managing attendance, we request that you voluntarily RSVP as soon as possible, preferably by 5:00 p.m. on Monday, July 27<sup>th</sup>, 2020, by providing your name(s), the name of the organization you represent, and your contact information, including email address of each attendee to [brentley.yim@insurance.ca.gov](mailto:brentley.yim@insurance.ca.gov). An RSVP is not required to attend the telephonic conference and all attendees are invited to participate regardless of whether there was an RSVP.

The telephonic conference to be used for the public hearing is accessible to persons with mobility impairment. Persons with sight or hearing impairments are requested to notify the contact person for these hearings (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 Wednesday, July 29, 2020**. Please direct all written comments to the following contact person:

Brentley Yim, Attorney  
California Department of Insurance  
1901 Harrison St., 4<sup>th</sup> Floor  
Oakland, CA 94612  
Telephone: (415) 538-4113  
[brentley.yim@insurance.ca.gov](mailto:brentley.yim@insurance.ca.gov)

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

Patricia Hein, Attorney  
California Department of Insurance  
1901 Harrison St., 6<sup>th</sup> Floor  
Oakland, CA 94612  
Telephone: (415) 538-4430  
[patricia.hein@insurance.ca.gov](mailto: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 Wednesday, July 29, 2020**. 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: [brentley.yim@insurance.ca.gov](mailto:brentley.yim@insurance.ca.gov). The Commissioner will also accept written comments transmitted by facsimile provided they are directed to the attention of Brentley Yim 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 January 1, 2021**

1. Amend Part 1, *General Provisions*, Section I, *Introduction*, Rule 1, *Purpose*, to reflect that policy information must be reported electronically to the WCIRB.
2. Amend Part 1, Section I, Rule 3, *Effective Date*, to show that the effective date of the amended Uniform Statistical Reporting Plan is 12:01 AM, January 1, 2021.
3. Amend Part 1, Section III, *Submission of Information*, Rule 1, *Reporting Information*, to remove requirements relating to hard copy submission of policy documents.
4. Amend Part 2, *Policy Reporting Requirements*, Section I, *General Instructions*, to (1) remove requirements relating to hard copy submission of policy documents; (2) eliminate electronic policy reporting requirements; (3) change policy information

reporting timeframes from 60 to 30 days and (4) for clarity and consistency with other proposed changes.

5. Amend Part 2, Section II, *Policy Period*, to (1) remove outdated language regarding continuing form policies and (2) for clarity and consistency with other proposed changes.
6. Amend Part 2, Section III, *Additional Electronic Reporting Requirements*, to reflect current electronic policy reporting requirements and for clarity and consistency with other proposed changes.
7. Amend Part 3, *Standard Classification System*, Section II, *Classification Terminology*, Rule 14, *Miscellaneous Employee(s)*, to establish Rule 22 to define “Premium Portion of Overtime Pay” and for consistency with other proposed changes.
8. Amend Part 3, Section III, *General Classification Procedures*, Rule 4, *Standard Exceptions*, to include Classification 8871, *Clerical Telecommuter Employees*, as a Standard Exception classification applicable to Clerical Office Employees who work more than 50% of their time at their home or other office space away from any location of their employer and for consistency with other proposed changes.
9. Amend Part 3, Section IV, *Special Industry Classification Procedures*, Rule 2, *Construction or Erection Work*, to clarify the procedures for calculating the regular hourly wage for (1) salaried employees and (2) when the annual minimum remuneration requirements in Section V, Rule 1, *Payroll – Remuneration*, Subrules j, k, l and m, are applied.
10. Amend Part 3, Section IV, Rule 4, *Farms*, to (1) update the definition of “farm” for classification purposes, (2) clarify the rule regarding miscellaneous employees and how they should be classified when both farm and non-farm classifications apply to an employer, (3) remove duplicative directives and (4) reorganize and clarify directives regarding payroll and operations to be included and excluded from farm classifications.
11. Amend Part 3, Section V, *Payroll – Remuneration*, Rule 1, *Payroll – Remuneration*, to clarify the definition of *Payroll – Remuneration*; Subrule c, *Overtime Remuneration*, to (1) clarify the rule, (2) incorporate the term “Premium Portion of Overtime Pay”, (3) remove Examples 3 and 4, and instead reference the Department of Industrial Relations’ examples for piecework and commission overtime pay for clarity and consistency with California wage and hour laws and (4) for consistency with other proposed changes; and Subrule e, *Severance Pay*, to clarify that severance pay is only excludable from remuneration when it is paid due to the termination of the employment relationship and that retention bonuses and similar payments that incentivize employees to remain employed for a period of time are included as payroll.
12. Amend Part 3, Section VII, *Standard Classifications*, Rule 2, *Standard Classifications*, as follows:
  - Amend Classification 9549, *Advertising Companies*, to revise the footnote assigning the display of hand-held advertisement signs and walking billboards (human sign holders) to Classification 8742, *Salespersons – Outside*, to indicate that the assignment of 8742 is subject to the rules set forth in Section III, Rule 4, *Standard Exceptions*.

- 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*, to remove the footnote assigning pari-mutuel employees to Classification 8810, *Clerical Office Employees*, as pari-mutuel employees working at 9016(1) operations are assignable to 9016(1) and to clarify its intended application.
- Amend Classification 1463(1), *Asphalt Works*, to provide direction as to how related operations should be classified.
- Amend Classification 9182, *Athletic Teams or Athletic Facilities – all employees other than players, umpires, referees and game officials*, to revise the footnote assigning athletic scouts to Classification 8742, *Salespersons – Outside*, to indicate that the assignment of 8742 is subject to the rules set forth in Section III, Rule 4, *Standard Exceptions*.
- Amend Classification 7607(2), *Audio Post-Production*, to include Clerical Telecommuter Employees.
- Amend Classification 8803, *Auditing, Accounting or Management Consulting Services*, to include Clerical Telecommuter Employees.
- Amend Classification 8391, *Automobile or Truck Dealers – all employees other than vehicle salespersons*, which is part of the *Automotive Industry Group*, to provide direction as to how related operations should be classified and for clarity.
- Amend Classification 8748, *Automobile or Truck Dealers – vehicle salespersons*, which is part of the *Automotive Industry Group*, to clarify its intended application and provide direction as to how related operations should be classified.
- Amend Classification 8808, *Banks*, to include Clerical Telecommuter Employees.
- Amend Classification 9048(2), *Boy and Girl Scout Councils – all camp operations*, to provide direction as to how related operations should be classified and for clarity.
- Amend Classification 2812, *Cabinet Mfg.*, for consistency with other proposed changes.
- Amend Classification 5146(1), *Cabinet or Fixtures*, which is part of the *Construction and Erection Industry Group*, to clarify its intended application.
- Amend Classification 9048(1), *Camps – recreational or educational*, for clarity.
- Amend Classification 9185, *Carnivals or Circuses*, to include Clerical Telecommuter Employees.
- Amend Classifications 5403/5432, *Carpentry*, which are part of the *Construction and Erection Industry Group*, to clarify the intended application and for consistency with other proposed changes.

- Amend Classification 2402, *Carpet or Rug Mfg.*, for consistency with other proposed changes.
- Amend Classification 5020, *Ceiling Installation*, which is part of the *Construction and Erection* Industry Group, to clarify its intended application and for consistency with other proposed changes.
- Amend Classification 9220(1), *Cemetery Operation*, to include cemetery plot or mausoleum sales counselors at the cemetery location.
- Amend Classification 8850, *Check Cashers*, to include Clerical Telecommuter Employees.
- Amend Classification 9015(4), *Churches, Temples, Mosques and Synagogues – all employees other than clergy, professional assistants, organists, members of choir or Clerical Office Employees*, to exclude Clerical Telecommuter Employees.
- Amend Classification 8840, *Churches, Temples, Mosques and Synagogues – clergy, professional assistants, organists or members of choir*, to include Clerical Telecommuter Employees.
- Amend Classification 4000(2), *Clay Digging*, to clarify its intended application and provide direction as to how related operations should be classified and for clarity.
- Amend Classification 8810, *Clerical Office Employees*, to direct that Clerical Office Employees who work more than 50% of their time at their home or other office space away from any location of their employer shall be classified as 8871, *Clerical Telecommuter Employees*.
- Establish Classification 8871, *Clerical Telecommuter Employees – N.O.C.*, as a Standard Exception classification applicable to Clerical Office Employees who work more than 50% of their time at their home or other office space away from any location of their employer.
- Amend Classification 2501(1), *Clothing Mfg.*, for consistency with other proposed changes.
- Amend Classification 9069, *Clubs – gaming*, to include a footnote directing that this classification applies to off-track betting facilities and includes pari-mutuel wagering operations provided to horse racing tracks and other horse race betting venues on a contract basis.
- Amend Classification 8868, *Colleges or Schools – private – not automobile schools – professors, teachers or academic professional employees*, to clarify its intended application and provide direction as to how related operations should be classified.
- Amend Classification 8859(1), *Computer Programming or Software Development*, to include Clerical Telecommuter Employees.
- Amend Classification 5606, *Contractors – construction or erection – executive level supervisors*, which is part of the *Construction and Erection* Industry Group, to

revise the footnote assigning employees whose non-clerical duties are confined to visiting job sites for pre-construction estimating to Classification 8742, *Salespersons – Outside*, to indicate that the assignment is subject to the rules set forth in Section III, Rule 4, *Standard Exceptions*.

- Eliminate Classification 2211(1), *Cotton Batting, Wadding or Waste Mfg.*, because it is no longer statistically credible and reassign the operations described by this classification to Classification 2222, *Spinning or Weaving*.
- Amend Classification 0401, *Cotton Gin Operation*, for consistency with other proposed changes.
- Amend Classification 8801, *Credit Unions*, to include Clerical Telecommuter Employees.
- Amend Classification 9220(2), *Crematory Operation*, to include cemetery plot or mausoleum sales counselors at the crematory location.
- Amend Classification 9059, *Day Care Centers – child*, to clarify its intended application and provide direction as to how related operations should be classified.
- Amend Classification 9529(2), *Decorating*, to remove the footnote assigning interior decorators and designers who do not install or place furnishings to Classification 8742, *Salespersons – Outside*, as this is not a definitive assignment and must be based on the actual duties performed by each decorator or designer.
- Amend Classification 5107, *Door, Door Frame or Pre-Glazed Window Installation*, which is part of the *Construction and Erection* Industry Group, for consistency with other proposed changes.
- Amend Classification 3060(2), *Door or Window Frame Mfg.*, for consistency with other proposed changes.
- Amend Classification 3060(1), *Door or Window Mfg. – metal or plastic*, for consistency with other proposed changes.
- Amend Classification 3060(3), *Door or Window Mfg. – screen*, to clarify its intended application.
- Amend Classification 3570, *Electric Appliance Mfg.*, to clarify its intended application and provide direction as to how related operations should be classified.
- Amend Classification 7539, *Electric Power Companies*, to include meter reading activities.
- Amend Classification 3681(1), *Instrument Mfg.*, which is part of the *Electronics* Industry Group, to provide direction as to how related operations should be classified.
- Amend Classification 8601(1), *Engineers*, to include Clerical Telecommuter Employees.

- Amend Classification 0050, *Farm Machinery Operation*, to move this classification to the *Farms* Industry Group.
- Eliminate Classification 2211(3), *Felting Mfg.*, because it is no longer statistically credible and reassign the operations described by this classification to Classification 2222, *Spinning or Weaving*.
- Amend Classification 0035, *Florists*, to move this classification to the *Farms* Industry Group and clarify its intended application.
- Amend Classification 8601(4), *Forest Engineers*, to include Clerical Telecommuter Employees.
- Amend Classification 3110(1), *Forging Works*, to clarify its intended application and provide direction as to how related operations should be classified.
- Amend Classification 3175, *Furnace or Heater Mfg.*, to provide direction as to how related operations should be classified.
- Amend Classification 8293(2), *Furniture Moving*, for consistency with other proposed changes.
- Amend Classification 7500, *Gas Works*, to include meter reading activities.
- Amend Classification 4130, *Glass Merchants*, to clarify its intended application and for consistency with other proposed changes.
- Amend Classifications 5467/5470, *Glaziers*, which are part of the *Construction and Erection* Industry Group, for consistency with other proposed changes.
- Amend Classification 5436, *Hardwood Floor Laying*, which is part of the *Construction and Erection* Industry Group, to provide direction as to how related operations should be classified.
- Amend Classification 8839, *Dentists and Dental Surgeons*, which is part of the *Health and Human Services* Industry Group, to include Clerical Telecommuter Employees.
- Amend Classification 8827(1), *Home Care Services*, which is part of the *Health and Human Services* Industry Group, to clarify its intended application and provide direction as to how related operations should be classified.
- Amend Classification 9043, *Hospitals*, which is part of the *Health and Human Services* Industry Group, to include Clerical Telecommuter Employees.
- Amend Classification 8827(2), *Nursing Care*, which is part of the *Health and Human Services* Industry Group, for clarity.
- Amend Classification 8834, *Physicians' Practices and Outpatient Clinics*, which is part of the *Health and Human Services* Industry Group, to include Clerical Telecommuter Employees and clarify its intended application.

- Amend Classification 9085, *Residential Care Facilities for Children*, which is part of the *Health and Human Services Industry Group*, for clarity.
- Amend Classification 9521(1), *House Furnishings*, to provide direction as to how related operations should be classified and for consistency with other proposed changes.
- Amend Classification 9519(1), *Household Appliances*, to provide direction as to how related operations should be classified.
- Amend Classification 8720(1), *Inspection for Insurance, Safety or Valuation Purposes*, to revise the footnotes assigning property appraisers and insurance claims or insurance fraud investigation companies that exclusively perform investigations that do not require surveillance of persons without their knowledge to Classification 8742, *Salespersons – Outside*, or Classification 8810, *Clerical Office Employees*, to indicate that the assignment of 8742 or 8810 is subject to the rules set forth in Section III, Rule 4, *Standard Exceptions*.
- Amend Classification 8822, *Insurance Companies*, to include Clerical Telecommuter Employees.
- Amend Classification 8859(2), *Internet or Web-Based Application Development or Operation*, to include Clerical Telecommuter Employees.
- Amend Classification 2362, *Knitting*, for consistency with other proposed changes.
- Amend Classification 8755, *Labor Unions*, to remove the footnote assigning Clerical Office Employees to Classification 8810, *Clerical Office Employees*, as it is duplicative of general classification procedures and not unique to this classification.
- Amend Classification 8821, *Law Firm Support Services*, to include Clerical Telecommuter Employees.
- Amend Classification 8820, *Law Firms*, to include Clerical Telecommuter Employees.
- Amend Classification 9015(5), *Libraries – private – all employees other than librarians, professional assistants or Clerical Office Employees*, to exclude Clerical Telecommuter Employees.
- Amend Classification 8811, *Libraries – private – librarians or professional assistants*, to include Clerical Telecommuter Employees.
- Amend Classification 3560(1), *Machinery Mfg. – commercial food processing equipment*, to clarify its intended application.
- Amend Classification 3560(2), *Machinery Mfg. – industrial*, to clarify its intended application and provide direction as to how related operations should be classified.

- Amend Classification 3560(3), *Machinery Mfg. – material handling equipment*, to clarify its intended application and provide direction as to how related operations should be classified.
- Amend Classification 3501(1), *Machinery Mfg. – portable tools*, to clarify its intended application and provide direction as to how related operations should be classified.
- Amend Classification 3507, *Machinery or Equipment Mfg.*, to provide direction as to how related operations should be classified.
- Amend Classification 8800, *Mailing or Addressing Companies*, to include Clerical Telecommuter Employees.
- Amend Classification 3724(1), *Millwright Work*, to clarify its intended application and provide direction as to how related operations should be classified.
- Amend Classification 2797(1), *Mobile, Modular or Manufactured Home or Building Mfg.*, to clarify its intended application.
- Amend Classification 8749, *Mortgage Bankers*, to include Clerical Telecommuter Employees.
- Amend Classification 8743, *Mortgage Brokers*, to include Clerical Telecommuter Employees.
- Amend Classification 9033, *Housing Authorities*, which is part of the *Municipal, State or Other Public Agencies* Industry Group, to assign employees engaged exclusively in determining the eligibility of properties owned and operated by separate parties for rental subsidies to Classification 9410, *Municipal, State or Other Public Agency Employees*, instead of Classification 8742, *Salespersons – Outside*.
- Amend Classification 8830, *Institutional Employees*, which is part of the *Municipal, State or Other Public Agencies* Industry Group, to include Clerical Telecommuter Employees.
- Amend Classification 8812, *Libraries – public*, which is part of the *Municipal, State or Other Public Agencies* Industry Group, to include Clerical Telecommuter Employees.
- Amend Classification 9410, *Municipal, State or Other Public Agency Employees – not engaged in manual labor, or direct supervision of construction or erection work*, which is part of the *Municipal, State or Other Public Agencies* Industry Group, to include employees engaged in determining the eligibility of properties owned and operated by separate parties for rental subsidies.
- Amend Classification 8875(1), *Public Colleges or Schools*, which is part of the *Municipal, State or Other Public Agencies* Industry Group, to include Clerical Telecommuter Employees.

- Amend Classification 8875(2), *Superintendent of Public Schools Office*, which is part of the *Municipal, State or Other Public Agencies* Industry Group, to include Clerical Telecommuter Employees.
- Amend Classification 8838, *Museums*, to include Clerical Telecommuter Employees and clarify its intended application.
- Amend Classification 0005, *Nurseries*, to move this classification to the *Farms* Industry Group and clarify its intended application.
- Amend Classification 8601(2), *Oil or Gas Geologists or Scouts*, which is part of the *Petroleum Industry* Group, to include Clerical Telecommuter Employees.
- Amend Classification 8813(2), *Bookbinding Operation*, which is part of the *Printing, Publishing and Duplicating* Industry Group, to include Clerical Telecommuter Employees.
- Amend Classification 8019(2), *Document Duplication or Photocopying Service*, which is part of the *Printing, Publishing and Duplicating* Industry Group, to include Clerical Telecommuter Employees.
- Amend Classification 4297(1), *Electronic Pre-Press*, which is part of the *Printing, Publishing and Duplicating* Industry Group, to include Clerical Telecommuter Employees.
- Amend Classification 4297(2), *Graphic Design*, which is part of the *Printing, Publishing and Duplicating* Industry Group, to include Clerical Telecommuter Employees.
- Amend Classification 8807, *Newspaper, Magazine or Book Publishing*, which is part of the *Printing, Publishing and Duplicating* Industry Group, to include Clerical Telecommuter Employees.
- Amend Classification 8818, *Newspaper Publishing or Printing*, which is part of the *Printing, Publishing and Duplicating* Industry Group, to include Clerical Telecommuter Employees.
- Amend Classification 8019(1), *Printing – quick printing*, which is part of the *Printing, Publishing and Duplicating* Industry Group, to include Clerical Telecommuter Employees.
- Amend Classification 4299(1), *Printing Operation – all other employees*, which is part of the *Printing, Publishing and Duplicating* Industry Group, to remove the footnote assigning sales, collection or public relations work to Classification 8742, *Salespersons – Outside*, as it is duplicative of general classification procedures and not unique to this classification.
- Amend Classification 8813(1), *Printing Operation – editing, designing, proofreading and photographic composing*, which is part of the *Printing, Publishing and Duplicating* Industry Group, to include Clerical Telecommuter Employees and remove the footnote assigning sales, collection or public relations work to

Classification 8742, *Salespersons – Outside*, as it is duplicative of general classification procedures and not unique to this classification.

- Amend Classification 4295(1), *Printing Operation – screen printing – all other employees*, which is part of the *Printing, Publishing and Duplicating* Industry Group, to remove the footnote assigning sales, collection or public relations work to Classification 8742, *Salespersons – Outside*, as it is duplicative of general classification procedures and not unique to this classification.
- Amend Classification 8846(1), *Printing Operation – screen printing – editing, designing, proofreading and photographic composing*, which is part of the *Printing, Publishing and Duplicating* Industry Group, to include Clerical Telecommuter Employees and remove the footnote assigning sales, collection or public relations work to Classification 8742, *Salespersons – Outside*, as it is duplicative of general classification procedures and not unique to this classification.
- Amend Classification 4295(2), *Screen Printed Merchandise Dealers – all other employees*, which is part of the *Printing, Publishing and Duplicating* Industry Group, to remove the footnote assigning sales, collection or public relations work to Classification 8742, *Salespersons – Outside*, as it is duplicative of general classification procedures and not unique to this classification.
- Amend Classification 8846(2), *Screen Printed Merchandise Dealers – editing, designing, proofreading and photographic composing*, which is part of the *Printing, Publishing and Duplicating* Industry Group, to include Clerical Telecommuter Employees.
- Amend Classification 8741, *Real Estate Agencies*, which is part of the *Property Management/Operation* Industry Group, to include Clerical Telecommuter Employees.
- Amend Classification 7610, *Radio, Television or Commercial Broadcasting Stations*, to include Clerical Telecommuter Employees.
- Amend Classifications 5183(2)/5187(2), *Refrigeration Equipment*, to provide direction as to how related operations should be classified.
- Amend Classification 3165(2), *Refrigerator Mfg.*, to clarify its intended application and provide direction as to how related operations should be classified.
- Amend Classification 4000(1), *Sand or Gravel Digging*, to clarify its intended application and provide direction as to how related operations should be classified.
- Amend Classification 2806(2), *Shutter Mfg.*, to provide direction as to how related operations should be classified and for consistency with other proposed changes.
- Amend Classification 1741(1), *Silica Grinding*, to provide direction as to how related operations should be classified and for clarity.
- Amend Classification 2222, *Spinning or Weaving*, to include felting manufacturing; cotton batting, wadding or waste manufacturing; and wool combing and scouring operations.

- Amend Classifications 5632/5633, *Steel Framing*, which are part of the *Construction and Erection* Industry Group, to clarify the intended application and for consistency with other proposed changes.
- Amend Classification 1710, *Stone Crushing*, to provide direction as to how related operations should be classified and for clarity.
- Amend Classification 8039, *Stores – department stores*, which is part of the *Stores* Industry Group, to include Clerical Telecommuter Employees.
- Amend Classification 8013(2), *Stores – eyewear*, which is part of the *Stores* Industry Group, for clarity.
- Amend Classification 8015, *Stores – furniture*, which is part of the *Stores* Industry Group, to provide direction as to how related operations should be classified.
- Amend Classification 8013(1), *Stores – jewelry*, which is part of the *Stores* Industry Group, to clarify its intended application.
- Amend Classification 8018, *Stores – wholesale*, which is part of the *Stores* Industry Group, for clarity.
- Amend Classification 3169(1), *Stove or Oven Mfg.*, to clarify its intended application and provide direction as to how related operations should be classified.
- Amend Classification 3099, *Tool Mfg.*, for clarity and to provide direction as to how related operations should be classified.
- Amend Classification 9522(5), *Upholstering – wheelchair*, for consistency with other proposed changes.
- Amend Classification 7607(1), *Video Post-Production*, to include Clerical Telecommuter Employees.
- Amend Classification 0400, *Warehouses – cotton*, for consistency with other proposed changes.
- Amend Classification 8292, *Warehouses – general merchandise*, to clarify its intended application.
- Amend Classification 7520, *Water Companies*, to include meter reading activities.
- Amend Classification 3076(6), *Wheelchair Mfg.*, to clarify its intended application and provide direction as to how related operations should be classified.
- Amend Classification 9521(3), *Window Covering*, for consistency with other proposed changes.
- Eliminate Classification 2211(4), *Wool Combing or Scouring*, because it is no longer statistically credible and reassign the operations described by this classification to Classification 2222, *Spinning or Weaving*.

13. Amend Part 3, Section VIII, *Abbreviated Classifications – Numeric Listing*, for consistency with other proposed changes.
14. Amend Part 4, *Unit Statistical Report Filing Requirements*, Section I, *General Instructions*, Rule 1, *Scope*, for clarity.
15. Amend Part 4, Section II, *Definitions*, Rule 12, *Final Premium(s)*, to update the citation to the federal Terrorism Risk Insurance Program.
16. Amend Part 4, Section III, *Link Data and Header Record Information*, Rule 2, *Policy Effective Date*, Subrules b and c, to remove outdated language and for consistency.
17. Amend Appendix I, *Construction and Erection Classifications*, to revise Classification 5146(1), *Cabinet or Fixtures*, for consistency with other proposed changes.
18. Amend the Back Wages/Back Pay entry in Appendix II, *Payroll Remuneration Table*, to clarify that back pay consists of amounts paid or awarded to employees where the employer corrects or is ordered to make up the difference between what the employee was paid and the amount the employee should have been paid, and for consistency with other proposed changes.
19. Amend Appendix IV, *Classifications Including Clerical Office Employees or Outside Salespersons*, for consistency with other proposed changes.

**Amendments to the *Miscellaneous Regulations for the Recording and Reporting of Data—1995*, Title 10, California Code of Regulations, Section 2354, Effective January 1, 2021**

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, January 1, 2021.

**Amendments to the *California Workers' Compensation Experience Rating Plan—1995*, Title 10, California Code of Regulations, Section 2353.1, Effective January 1, 2021**

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, January 1, 2021.
2. Amend Section II, *Definitions*, Rule 2, *Base Premium*, to update the citation to the federal Terrorism Risk Insurance Program.
3. Amend Section III, *Eligibility and Experience Period*, Rule 1, *Eligibility Requirements for California Workers' Compensation Insurance*, to adjust the eligibility threshold from \$9,700 to \$9,900 to reflect wage inflation and the proposed January 1, 2021 expected loss rates.
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.

## **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-2020-00013 and is available for inspection and copying by prior appointment at 1901 Harrison Street, 4th 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.