

STATE OF CALIFORNIA
DEPARTMENT OF INSURANCE
300 Capitol Mall, 17th Floor
Sacramento, California 95814

NOTICE OF PROPOSED ACTION AND NOTICE OF PUBLIC COMMENT

2015 Workers' Compensation Insurance Classification and Rating Rules

File No. REG-2014-00008

Notice Date: July 1, 2014

Proposed revisions 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, 2015.

NOTICE AND SUBJECT OF PUBLIC COMMENT

Notice is hereby given that the Insurance Commissioner shall receive written comments in response to a filing, submitted on June 13, 2014, and a supplemental filing submitted on June 24, 2014, by the Workers' Compensation Insurance Rating Bureau of California ("WCIRB") to consider the following:

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

PRESENTATION OF WRITTEN COMMENTS; CONTACT PERSONS

All persons are invited to submit written comments on the proposed regulations during the public comment period. Written comment shall be received for a period of 45 days from the date of this Notice, and the public comment period will end at 5:00 p.m. on August 15, 2014. Please direct all written comment to the following contact person:

Patricia Hein
California Department of Insurance
45 Fremont Street, 21st Floor
San Francisco, CA 94105
Telephone: (415) 538-4430
patricia.hein@insurance.ca.gov

Questions regarding procedure, comments, or the substance of the proposed action should be directed to the above contact person. In the event the contact person is unavailable, inquiries regarding this proposed action may be directed to the following backup contact person:

Christy Carroll
California Department of Insurance
300 Capitol Mall, 16th Floor
Sacramento, CA 95814
Telephone: (916) 492-3283
christina.carroll@insurance.ca.gov

DEADLINE FOR WRITTEN COMMENTS

All written comments and materials must be received by the Insurance Commissioner, addressed to the contact persons noted above, no later than 5:00 P.M. on August 15, 2014. Any written materials received after that time shall not be considered.

COMMENTS TRANSMITTED BY E-MAIL OR FACSIMILE

Written comments transmitted by e-mail will be accepted only if they are sent to the following e-mail addresses: patricia.hein@insurance.ca.gov or christina.carroll@insurance.ca.gov. The Insurance Commissioner will also accept written comments submitted by facsimile only if they are sent to the attention of the contact persons at the following facsimile number: (415) 904-5490. **Comments sent to other e-mail addresses or other facsimile numbers shall not be accepted. Comments sent by e-mail or facsimile are subject to the 5:00 P.M., August 15, 2014 deadline.**

PUBLIC HEARING NOT SCHEDULED

A public hearing is not scheduled in this action and only written comment will be accepted in accordance with the requirements above.

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 a 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

The WCIRB recommends that the following revisions to the California Workers' Compensation Uniform Statistical Reporting Plan—1995 become effective January 1, 2015 with respect to new and renewal policies as of the first anniversary rating date of a risk on or after January 1, 2015.

Part 1 - General Provisions

- Amend Section I, Introduction, Rule 3, Effective Date, to show that the effective date of the amended USRP is 12:01 A.M., January 1, 2015.

Part 3 — Standard Classification System

- Amend Section III, General Classification Procedures, Rule 2, Single Enterprise, for consistency.
- Amend Section IV, Special Industry Classification Procedures, Rule 6, Stores, Subrule f, for consistency.
- Amend 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 2014.
- Amend Section VI, Administration of Classification System, Rule 2, Notification of Standard Classification Assignment, to remove the requirement that hard copies of an inspection report must be provided to employers and insurers and to add language that requires the WCIRB to provide inspection reports within the current time period.
- Amend Section VI, Rule 4, Audit of Payroll, to increase the physical audit threshold from \$10,000 to \$13,000.
- Amend Section VI, Rule 4, Audit of Payroll, Subrule a(4), to reference California Insurance Code Section 11665(a) to clarify that there are additional statutory requirements regarding the audit of C-39 license holders.
- Amend Section VII, Standard Classifications, Rule 1, Classification Section, Subrule a, Industry Groups, to reflect the establishment of Automotive Industry as an Industry Group and for consistency.
- Amend Section VII, Rule 2, Standard Classifications, as indicated below:
 - Amend Classification 3805(1), Aircraft Engine Mfg. or Rebuilding, to clarify its intended application and provide direction as to how related operations shall be classified.
 - Amend Classification 7332, Ambulance Services, to clarify its intended application and provide direction as to how related operations shall be classified.
 - Amend Classification 4511, Analytical or Testing Laboratories, to clarify its intended application, remove the general restriction on division of payroll and provide direction as to how related operations shall be classified.
 - Amend Classification 7198(2), Armored Car Services, to clarify its intended application and provide direction as to how related operations shall be classified.
 - Amend Classification 4740(2), Asphalt or Tar Distilling or Refining, to clarify its intended application.

- Amend Classification 9181, Athletic Teams or Parks – all players on the salary list of employer, whether regularly played or not, to increase the payroll limitation for players from \$109,200 to \$111,800 per player per season to reflect wage inflation since the payroll limitation was last amended in 2014.
- Establish an Industry Group for the automotive industry to include the classifications and proposed recommendations listed below:
 - Amend Classification 2797(2), Automobile Body Mfg., to clarify its intended application and provide direction as to how related operations shall be classified.
 - Amend Classification 3808, Automobile or Motorcycle Mfg. or Assembling, to clarify its intended application and provide direction as to how related operations shall be classified.
 - Amend Classification 8393, Automobile or Automobile Truck Body and Fender Repairing and Painting, to clarify its intended application and provide direction as to how related operations shall be classified.
 - Amend Classification 8391, Automobile or Automobile Truck Dealers, to clarify its intended application.
 - Amend Classification 8748, Automobile or Automobile Truck Dealers, to clarify its intended application.
 - Amend Classification 3821, Automobile or Automobile Truck Dismantling, to clarify its intended application.
 - Amend Classification 3805(2), Automobile or Automobile Truck Engine Mfg., to clarify its intended application and provide direction as to how related operations shall be classified.
 - Amend Classification 8387, Automobile or Automobile Truck Service Stations, to (1) add a suffix to reflect the establishment of alternate wordings, (2) remove the restriction on division of payroll with Classification 8388, Rubber Tire Dealers, (3) clarify its intended application, and (4) specify how Classification 8387 is distinguished from other automotive industry classifications.
 - Establish Classification 8387(2), Automobile or Truck Oil and Fluid Replacement Service Facilities, as an alternate wording to Classifications 8387(1), Automobile or Truck Service Stations, and 8387(3), Automobile or Truck Washing Facilities, to apply to automobile or truck service facilities at which the operations solely include preventative maintenance and service operations.
 - Amend Classification 3828, Automobile or Automobile Truck Parts Rebuilding, to clarify its intended application.
 - Amend Classification 9516(2), Automobile Radio and Telephone Installation, Service or Repair, to clarify its intended application and provide direction as to how related operations shall be classified.
 - Amend Classification 8389, Automobile or Automobile Truck Repair Shops or Garages, to remove the restriction on division of payroll with Classification 8388, Rubber Tire Dealers, clarify its intended application, and provide direction as to how related operations shall be classified.

- Amend Classification 8392, Automobile or Automobile Truck Storage Garages or Parking Stations or Lots, for clarity and consistency.
- Amend Classification 7227, Automobile or Automobile Truck Towing, Roadside Assistance or Freeway Repair, for clarity.
- Amend Classification 8397, Automobile or Automobile Truck Transmission Repairing and Rebuilding, to clarify its intended application and provide direction as to how related operations shall be classified.
- Establish Classification 8387(3), Automobile or Truck Washing Facilities, as an alternate wording to Classifications 8387(1), Automobile or Truck Service Stations, and 8387(2), Automobile or Truck Oil and Fluid Replacement Service Facilities, to apply to facilities at which the operations include automobile or truck washing, waxing and polishing, and to employers that wash, wax and polish automobiles or trucks at customers' locations.
- Amend Classification 9522(3), Automobile Body Upholstering, to clarify its intended application and provide direction as to how related operations shall be classified.
- Amend Classification 3840, Automobile, Automobile Truck or Motorcycle Parts Mfg., to clarify its intended application and provide direction as to how related operations shall be classified.
- Amend Classification 8390, Automobile Van Conversion or Customizing, to clarify its intended application and provide direction as to how related operations shall be classified.
- Amend Classification 8324, Automobile Gasoline Stations, to clarify its intended application.
- Amend Classification 9501(3), Painting – automobile or automobile truck bodies, to clarify its intended application and provide direction as to how related operations shall be classified.
- Amend Classification 2797(3), Recreational Vehicle Mfg., to clarify its intended application and provide direction as to how related operations shall be classified.
- Establish a cross-reference to Classification 8046, Stores – automobile or truck parts or accessories, which is part of the Stores Industry Group.
- Amend Classification 8388, Rubber Tire Dealers, to clarify its intended application and provide direction as to how related operations shall be classified.
- Amend Classification 3815(2), Automobile Body Mfg. – truck, trailer or bus bodies, to clarify its intended application and provide direction as to how related operations shall be classified.
- Amend Classification 3815(1), Automobile Truck or Automobile Truck Trailer Mfg. or Assembling, to clarify its intended application and provide direction as to how related operations shall be classified.

- Amend Classification 9586, Barber Shops or Beauty Parlors, to clarify its intended application and provide direction as to how related operations shall be classified.
- Amend Classification 4512, Biomedical Research Laboratories, to clarify its intended application, remove the general restriction on division of payroll, and provide direction as to how related operations shall be classified.
- Amend Classification 7605(1), Burglar Alarm and Security Alarm Systems Installation, Service or Repair, to clarify its intended application and for consistency.
- Amend Classification 5146(1), Cabinet or Fixtures, to clarify its intended application and provide direction as to how related operations shall be classified.
- Amend Classifications 5403/5432, Carpentry, to clarify its intended application and provide direction as to how related operations shall be classified.
- Amend Classification 9015(4), Churches – all employees other than clergy, professional assistants, organists, members of choir or Clerical Office Employees, to clarify its intended application and provide direction as to how related operations shall be classified.
- Amend Classification 8840, Churches – clergy, professional assistants, organists, or members of choir, to clarify its intended application.
- Amend Classification 9101, Colleges or Schools – private, to provide direction as to how related operations shall be classified.
- Amend Classification 8868, Colleges or Schools – private – not automobile schools, for consistency and provide direction as to how related operations shall be classified.
- Amend Classification 5195, Communications Cabling, to clarify its intended application and provide direction as to how related operations shall be classified.
- Amend Classification 8859(1), Computer Programming or Software Development, to clarify its intended application and remove the general restriction on division of payroll.
- Amend Classification 5214, Concrete or Cement Work, to clarify its intended application and provide direction as to how related operations shall be classified.
- Amend Classification 6325, Conduit Construction, to clarify its intended application and provide direction as to how related operations shall be classified.
- Amend Classification 5606, Contractors, to eliminate the requirement for WCIRB approval, to clarify its intended application and provide direction as to how related operations shall be classified.
- Amend Classification 4244, Corrugated or Fibre Board Container Mfg., to clarify its intended application and provide direction as to how related operations shall be classified.
- Amend Classification 9059, Day Care Centers, to clarify its intended application and provide direction as to how related operations shall be classified.

- Amend Classification 4692, Dental Laboratories, to clarify its intended application and provide direction as to how related professions shall be classified.
- Amend Classification 7721(1), Detective or Patrol Agencies, to clarify its intended application and provide direction as to how related operations shall be classified.
- Amend Classification 4611, Drug, Medicine or Pharmaceutical Preparations Mfg., to clarify its intended application, provide direction as to how a related operation shall be classified.
- Amend Classification 2589(1), Dry Cleaning or Laundry, for clarity and consistency.
- Amend Classification 3570, Electric Appliance Mfg., to include the manufacture of battery chargers and battery pack assemblies.
- Amend Classification 3724(2), Electrical Machinery or Auxillary Apparatus, to clarify its intended application and provide direction as to how related operations shall be classified.
- Amend Classifications 5190/5140, Electrical Wiring, to clarify its intended application and provide direction as to how related operations shall be classified.
- Amend Classification 3179, Electrical Apparatus Mfg., within the Electronics Industry Group, to include the manufacture of actuators.
- Amend 1624(2), Excavation – rock, to clarify its intended application and provide direction as to how related operations shall be classified.
- Amend Classification 7219(2), Express Companies, to clarify its intended application and provide direction as to how related operations shall be classified.
- Amend the Farms Industry Group to correct the reference to Section IV, Special Industry Classification Procedures, Rule 3.
- Amend Classification 9403(1), Garbage, Ashes or Refuse Collecting, to clarify its intended application and provide direction as to how related operations shall be classified.
- Amend Classification 9424, Garbage, Ashes or Refuse Dump Operations, to clarify its intended application and provide direction as to how related operations shall be classified.
- Establish a cross-reference to indicate that Classification 8324, Gasoline Stations, is listed under the Automotive Industry Group.
- Amend Classification 3146(1), Hardware Mfg., to clarify its intended application and provide direction as to how related operations shall be classified.
- Amend Classification 8839, Dentists and Dental Surgeons, which is part of the Health and Human Services Industry Group, to clarify its intended application, remove the general restriction on division of payroll, and provide direction as to how related operations shall be classified.
- Amend Classification 8827(1), Homemaker 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 shall be classified.

- Amend Classification 8852, Home Infusion Therapists, which is part of the Health and Human Services Industry Group, for consistency.
- Amend Classification 8827(2), Public Health Nursing Associations, which is part of the Health and Human Services Industry Group, to clarify its intended application and provide direction as to how related operations shall be classified.
- Amend Classification 8834, Physicians, which is part of the Health and Human Services Industry Group, to clarify its intended application, remove the general restriction on division of payroll and provide direction as to how related operations shall be classified.
- Amend Classification 8823, Residential Care Facilities for Children, which is part of the Health and Human Services Industry Group, to clarify its intended application and provide direction as to how related operations shall be classified.
- Amend Classification 9085, Residential Care Facilities for the Developmentally Disabled, which is part of the Health and Human Services Industry Group, to clarify its intended application and provide direction as to how related operations shall be classified.
- Amend Classification 3146(2), Heat Treating, to clarify its intended application, remove the general restriction on division of payroll and provide direction as to how related operations shall be classified.
- Amend Classification 8831(1), Hospitals – veterinary, to clarify its intended application and provide direction as to how related operations shall be classified.
- Amend Classification 8859(2), Internet or Web-Based Application Development or Operation, to clarify its intended application, remove the general restriction on division of payroll and provide direction as to how related operations shall be classified.
- Amend Classification 9008, Janitorial Services, to clarify its intended application and provide direction as to how related operations shall be classified.
- Amend Classification 8831(3), Kennels, to clarify its intended application and provide direction as to how a related operation shall be classified.
- Amend Classification 2585, Laundries – N.O.C., for clarity and consistency.
- Amend Classification 9015(5), Libraries – all employees other than librarians, professional assistants or Clerical Office Employees, to clarify its intended application and reference its companion Classification 8810(3), Libraries – librarians or professional assistants.
- Amend Classification 8810(3), Libraries – librarians or professional assistants, to clarify its intended application, reference its companion Classification 9015(5), Libraries – all employees other than librarians, professional assistants or Clerical Office Employees, and provide direction as to how related operations shall be classified.
- Amend Classification 3632, Machine Shops, to clarify its intended application and provide direction as to how related operations shall be classified.

- Amend Classification 3560(1), Machinery Mfg. – commercial food processing equipment, to clarify its intended application and provide direction as to how related operations shall be classified.
- Amend Classification 3560(2), Machinery Mfg. – industrial, to clarify its intended application and provide direction as to how related operations shall be classified.
- Amend Classification 3560(3), Machinery Mfg. – material handling equipment, to clarify its intended application and provide direction as to how related operations shall be classified.
- Amend Classification 8800, Mailing or Addressing Companies, to clarify its intended application and remove the general restriction on division of payroll.
- Amend Classification 3066(3), Aluminum Ware Mfg., which is part of the Metal Working Classifications Industry Group, to clarify its intended application and provide direction as to how related operations shall be classified.
- Amend Classification 3066(4), Coppersmithing, which is part of the Metal Working Classifications Industry Group, to clarify its intended application and provide direction as to how related operations shall be classified.
- Amend Classification 3066(1), Sheet Metal Products Mfg., which is part of the Metal Working Classifications Industry Group, to clarify its intended application and provide direction as to how related operations shall be classified.
- Amend Classification 3724(1), Millwright Work, to clarify its intended application and provide direction as to how related operations shall be classified.
- Amend the Mining Industry Group to correct the reference to Section IV, Special Industry Classification Procedures, Rule 4.
- Amend Classification 1122, Mining – surface, within the Mining Industry Group, to identify associated operations and include references to similar or related classifications.
- Amend Classification 2797(1), Mobile Home Mfg., to clarify its intended application, remove the restriction regarding division of payroll and provide direction as to how related operations shall be classified.
- Amend Classification 9610, Motion Pictures – production, to increase the payroll limitation for actors, musicians, producers and the motion picture director from \$109,200 to \$111,800 per year per person to reflect wage inflation since the payroll limitation was last amended in 2014.
- Amend Classification 8810(4), Libraries – public – librarians or professional assistants, which is part of the Municipal, State or Other Public Agencies Industry Group, to clarify its intended application and provide direction as to how related operations shall be classified.
- Amend Classification 8875(1), Public Colleges or Schools, which is part of the Municipal, State or Other Public Agencies Industry Group, to clarify its intended application and provide direction as to how related operations shall be classified.
- Amend Classification 8838, Museums, to clarify its intended application and provide direction as to how related operations shall be classified.

- Amend Classification 3152(1), Nail, Tack or Rivet Mfg., to clarify its intended application.
- Amend Classification 3152(2), Nut, Bolt or Screw Mfg., to clarify its intended application and provide direction as to how related operations shall be classified.
- Establish a cross-reference to indicate that Classification 9501(3), Painting – automobile or truck bodies, is listed under the Automotive Industry Group.
- Amend Classification 9501(1), Painting – shop only, to clarify its intended application and provide direction as to how related operations shall be classified.
- Amend Classification 4250(1), Paper Coating or Laminating, to clarify its intended application and direct that conversion of paper into paper goods is classified as 4279(1), Paper Goods Mfg.
- Amend Classification 7198(1), Parcel Delivery Companies, to clarify its intended application.
- Amend Classification 7721(2), Patrol or Guard Services, to clarify its intended application.
- Amend Classification 9031, Pest Control, to clarify its intended application and provide direction as to how related operations shall be classified.
- Amend Classification 8350, Gasoline or Oil Dealers, which is part of the Petroleum Industry Group, to clarify its intended application and provide direction as to how related operations shall be classified.
- Amend Classification 4740(3), Gasoline Recovery, which is part of the Petroleum Industry Group, to clarify its intended application.
- Amend Classification 4740(1), Oil Refining, which is part of the Petroleum Industry Group, to clarify its intended application and provide direction as to how related operations shall be classified.
- Amend Classification 4297(1), Electronic Prepress, which is part of the Printing, Publishing and Duplicating Industry Group, to clarify its intended application, remove the general restriction on division of payroll and provide direction as to how related operations shall be classified.
- Amend Classification 4297(2), Graphic Design, which is part of the Printing, Publishing and Duplicating Industry Group, to clarify its intended application, remove the general restriction on division of payroll and provide direction as to how a related operation shall be classified.
- Amend Classification 9011, Apartment or Condominium Complex Operation, which is part of the Property Management/Operation Industry Group, to clarify its intended application, provide direction how related operations are classified and direct that non-resident employees engaged exclusively in the rental or leasing of property shall be assigned to 8741, Real Estate Agencies.
- Amend Classification 9007, Apartment or Condominium Complex Operation for Seniors, which is part of the Property Management/Operation Industry Group, to clarify its intended application, provide direction how related operations are classified and direct that non-residing employees engaged exclusively in the rental or leasing of property shall be assigned to 8741, Real Estate Agencies.

- Amend Classification 9015(1), Building Operation – N.O.C. – all other employees, which is part of the Property Management/Operation Industry Group, to clarify its intended application, provide direction regarding related classifications and direct that employees engaged exclusively in the rental or leasing of property shall be assigned to 8741, Real Estate Agencies.
- Amend Classification 9009, Building Operation – commercial properties – all other employees, which is part of the Property Management/Operation Industry Group, to clarify its intended application, provide direction regarding related classifications and direct that employees engaged exclusively in the rental or leasing of property shall be assigned to 8741, Real Estate Agencies.
- Amend Classification 8740(2), Building Operation – commercial properties – property management supervisors, within the Property Management/Operation Industry Group, to clarify its intended application.
- Amend Classification 9010, Mobile Home Park Operation, which is part of the Property Management/Operation Industry Group, to clarify its intended application, provide direction regarding related classifications and direct that non-residing employees engaged exclusively in the rental or leasing of property to clients shall be assigned to 8741, Real Estate Agencies.
- Amend Classification 8741, Real Estate Agencies, which is part of the Property Management/Operation Industry Group, to clarify its intended application and provide direction as to how related operations shall be classified.
- Amend Classification 3612, Pump or Hydraulic Apparatus Mfg. or Repair, to clarify its intended application and provide direction as to how related operations shall be classified.
- Amend Classification 1624(1), Quarries, to clarify its intended application and provide direction as to how related operations shall be classified.
- Amend Classification 7610, Radio, Television or Commercial Broadcasting Stations – all employees, to increase the payroll limitation for players, entertainers or musicians from \$109,200 to \$111,800 per year per person to reflect wage inflation since the payroll limitation was last amended in 2014.
- Establish a cross-reference to indicate that Classification 2797(3), Recreational Vehicle Mfg., is listed under the Automotive Industry Group.
- Amend Classification 5225, Reinforcing Steel Installation, to provide direction as to how related operations shall be classified.
- Amend Classification 9096, Residential Cleaning Services, to clarify its intended application and provide direction as to how related operations shall be classified.
- Amend Classification 9079(1), Restaurants or Taverns, to clarify its intended application, remove the general restriction on division of payroll and provide direction as to how related operations shall be classified.
- Amend Classifications 5552/5553, Roofing, to clarify its intended application and provide direction as to how related operations shall be classified.
- Establish a cross-reference to indicate that Classification 8388, Rubber Tire Dealers, is listed under the Automotive Industry Group.

- Amend Classification 8847, Beverage Container Collection or Redemption, which is part of the Salvage Material Dealers Industry Group, to direct that the curbside collection of recyclables, including beverage containers shall be classified as 9403(1), Garbage or Refuse Collecting.
- Amend Classification 8264(2), Bottle Dealers – secondhand, which is part of the Salvage Material Dealers Industry Group, to clarify its intended application and provide direction as to how related operations shall be classified.
- Amend Classification 8265(2), Junk Dealers – N.O.C., which is part of the Salvage Material Dealers Industry Group, for clarity.
- Amend Classification 8264(1), Paper Stock Dealers – secondhand, which is part of the Salvage Material Dealers Industry Group, to clarify its intended application and provide direction as to how related operations shall be classified.
- Amend Classification 8264(3), Rubber Stock Dealers – secondhand, which is part of the Salvage Material Dealers Industry Group, to clarify its intended application and provide direction as to how related operations shall be classified.
- Eliminate Classification 8103, Wiping Cloth or Rag Dealers, which is part of the Salvage Material Dealers Industry Group, as this classification does not develop sufficient data to produce a statistically credible advisory pure premium rate.
- Establish Classification 8264(4), Wiping Cloth or Rag Dealers – including all laundry operations, which is part of the Salvage Material Dealers Industry Group, as alternate wording to Classification 8264 for wiping cloth and rag dealers.
- Amend Classification 3152(3), Screw Machine Products Mfg., to clarify its intended application and provide direction as to how related operations shall be classified.
- Amend Classification 5951, Serum, Anti-Toxin or Virus Mfg., to clarify its intended application, provide direction as to how related operations shall be classified and for consistency.
- Amend Classification 5146(2), Sign Installation or Repair, which is part of the Sign Industry Group, to provide direction as to how related operations shall be classified.
- Amend the Stores Industry Group to correct the reference to Section IV, Special Industry Classification Procedures, Rule 5.
- Amend Classification 8046, Stores – automobile accessories, which is part of the Stores Industry Group, to clarify its intended application and provide direction as to how related operations shall be classified.
- Amend Classification 7365, Taxicab Operations – all employees, to increase the minimum payroll from \$30,500 to \$31,300 per annum per taxicab to reflect wage inflation since the threshold was last amended in 2014.
- Amend Classification 9156, Theaters – dance, opera and theater companies, to increase the payroll limitation for performers and directors of performers from \$109,200 to \$111,800 per year per person to reflect wage inflation since the payroll limitation was last amended in 2014.

- Amend Classification 9151, Theaters – music ensembles, to increase the payroll limitation for performers and directors of performers from \$109,200 to \$111,800 per year per person to reflect wage inflation since the payroll limitation was last amended in 2014.
- Amend Classification 3099, Tool Mfg. – N.O.C., to clarify its intended application and provide direction as to how related operations shall be classified.
- Establish a cross-reference to indicate that Classification 3815(2), Truck Body Mfg., is listed under the Automotive Industry Group.
- Amend Classification 7219(1), Trucking Firms, to clarify its intended application and provide direction as to how related operations shall be classified.
- Establish a cross-reference to indicate that Classification 3815(1), Truck, Truck Trailer or Bus Mfg. or Assembling, is listed under the Automotive Industry Group.
- Amend Classification 3634, Valve Mfg., to clarify its intended application and provide direction as to how related operations shall be classified.
- Amend Classification 8292, Warehouses – general merchandise, to clarify its intended application and provide direction as to how related operations shall be classified.
- Eliminate Classification 7721(3), Watchpersons or Guards, as the operations described by this classification are assignable to Classification 7721(2), Patrol or Guard Services.
- Amend Section VIII, Abbreviated Classifications – Numeric Listing, for clarity and for consistency.

Part 4 — Unit Statistical Reporting Requirements

- Amend Section II, Definitions, Rule 20, Loss Adjustment Expense(s), for clarity and consistency.
- Amend Section II, Rule 29, Open or Open Claim, and Rule 34, Resolved or Resolved Claim, to remove “Resolved Claim” for consistency with the national reporting standards and renumber all subsequent entries.
- Amend Section V, Loss Information, Rule B, Loss Data Elements, Subrule 6, Type of Settlement, for consistency with national reporting standards and to provide for the submission of a statement when a noncompensable claim meets the requirements of Labor Code Section 3761.
- Amend Section VII, Subsequent Reports, Correction Reports, and Reporting Methods, for clarity and consistency.
- Amend Appendix I, Construction and Erection Classifications, for consistency.

AMENDMENTS TO MISCELLANEOUS REGULATIONS FOR THE RECORDING AND REPORTING OF DATA—1995

The WCIRB recommends that the following revisions to the Miscellaneous Regulations for the Recording and Reporting of Data—1995 become effective January 1, 2015 with

respect to new and renewal policies as of the first anniversary rating date of a risk on or after January 1, 2015:

Part 1 — General Provisions

- Amend Section I, Introduction, Rule 2, Effective Date, to show that the effective date of the amended Miscellaneous Regulations is 12:01 A.M., January 1, 2015.

AMENDMENTS TO CALIFORNIA WORKERS' COMPENSATION EXPERIENCE RATING PLAN—1995

The WCIRB recommends that the following revisions to the California Workers' Compensation Experience Rating Plan—1995 become effective January 1, 2015 with respect to new and renewal policies as of the first anniversary rating date of a risk on or after January 1, 2015.

- Amend Section I, General Provisions, Rule 2, Effective Date, to show that the effective date of the amended Experience Rating Plan is 12:01 A.M., January 1, 2015.
- Amend Section III, Eligibility and Experience Period, Rule 3, Experience to be Used for Rating California Workers' Compensation Insurance Risks, Subrule f, to correct the reference to Part 4, Unit Statistical Reporting Requirements, of the California Workers' Compensation Uniform Statistical Reporting Plan—1995.

TEXT OF REGULATIONS AND ACCESS TO RULE-MAKING FILE

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-2014-00008 and is available for inspection and copying by prior appointment at 300 Capitol Mall, 17th Floor, Sacramento, California 95814, 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.

WEBSITE POSTINGS

Documents concerning these proposed regulations are available on the Department's website. To access them, go to <http://www.insurance.ca.gov>. Find at the right-hand side of the page the heading 'QUICK LINKS.' The third item in this column under this heading is 'For Insurers'; on the drop-down menu for this item, select 'Legal Information.' When

the 'INSURERS: LEGAL INFORMATION' screen appears, click the third item in the list of bulleted items near the top of the page: 'Proposed Regulations.' The 'INSURERS: PROPOSED REGULATIONS' screen will be displayed. Select the only available link: 'Search for Proposed Regulations.' Then, when the 'PROPOSED REGULATIONS ' screen appears, you may choose to find the documents either by conducting a search or by browsing for them by name.

To browse, click on the “Currently Proposed Regulations” link. A list of the names of regulations for which documents are posted will appear. Find in the list the link to “2015 Workers’ Compensation Insurance Rating Rules” and click it. Links to the documents associated with these regulations will then be displayed.

To search, enter "REG-2014-00008" (the Department’s regulation file number for these regulations) in the search field. Alternatively, search by keyword ("workers’ compensation insurance rating rules” for example). Then, click on the 'Submit' button to display links to the various filing documents.

AUTOMATIC MAILING

A copy of the proposed regulations and this Notice will be sent to all persons who have previously filed a request to receive notice of proposed rulemaking with the Commissioner.

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.