



June 23, 2016

CIRCULAR LETTER TO ALL MEMBER COMPANIES

Re: Workers Compensation Insurance

NCCI Item B-1431 – Revision to Basic Manual Classifications -  
Part II - Classifications- North Carolina

The North Carolina Rate Bureau has filed, and the North Carolina Commissioner of Insurance has approved a modified version of NCCI Item Filing B-1431. The approved changes will be applicable to all new and renewal, voluntary and assigned risk policies becoming effective on or after April 1, 2017.

The modified version of NCCI Item Filing B-1431 eliminates several national classifications with low credibility and establishes state special classifications, as needed, for North Carolina.

Part II – Classifications of the North Carolina Basic Manual for Workers Compensation and Employers Liability (NCBM) will be updated to reflect the approved changes effective April 1, 2017.

A summary of the changes, along with a copy of NCCI Item Filing B-1431, the Bureau filing memorandum and exhibits showing the NCBM changes are attached.

If you have any questions, contact the NCRB Information Center at 919-582-1056 or via email at [winfo@ncrb.org](mailto:winfo@ncrb.org).

Sincerely,

Joanna Biliouris

Chief Operating Officer

JB:dms

Attachment

C-16-11

## NCCI Filing B-1431 – North Carolina Revisions

NCCI Item filing B-1431 discontinues several national classifications and establishes state specific classifications as needed for North Carolina.

The North Carolina Department of Insurance approved revisions to be applicable to all new and renewal policies becoming effective on or after 4/1/2017. A summary of the changes that impact North Carolina are outlined below.

<b>Exhibits</b>	<b>Applicable Manual</b>	<b>Description</b>
NCRB Exhibit I	NCBM	National classifications with low credibility being eliminated and the proposed classification for these operations to be assigned. (Classification code 2386 <i>Lace Mfg</i> will be eliminated by NCCI as a national code, but retained as a state special classification for North Carolina; Classification code 2913 will <u>not</u> be retained as a state special classification for North Carolina)
NCRB Exhibit II	NCBM	Elimination of national classifications from the NCBM
NCRB Exhibit III	NCBM	Establishment of classification 2386 <i>Lace Mfg.</i> as a North Carolina state special classification.
NCCI B-1431 Exhibit 11	Assigned Carrier Performance Standards	Removes classification codes eliminated for low credibility from Loss Prevention Survey Table shown in Performance Standard 4- Loss Prevention

**FILING MEMORANDUM**

**RE: NCCI Item B-1431**

**REVISIONS TO NORTH CAROLINA BASIC MANUAL - Part 2 - CLASSIFICATIONS**

**PURPOSE**

The purpose of this filing is to eliminate, establish, or revise certain classifications in the *North Carolina Basic Manual for Workers Compensation and Employers Liability Insurance* (NCBM)

**BACKGROUND**

An analysis by the National Council on Compensation Insurance (NCCI) the classification system identified several national classifications with low credibility. NCCI Item filing B-1431 recommends certain low credibility classification be eliminated and their operations be reassigned to other national or state special classifications with similar operations.

The term "low credibility" is being used to identify classifications that are too small to develop meaningful data for ratemaking purposes.

**PROPOSAL**

The North Carolina Rate Bureau (NCRB) proposes the elimination of the classifications identified as having low credibility in NCCI Item B-1431 and the recommendation that a state special classification be established for code 2386 Lace Mfg. The proposed changes and updates to the NCBM are outlined in NCRB Exhibits I, II and III.

**IMPACT**

NCRB recognizes that some recommendations, such as moving a specific operation from one classification to another, may have a premium impact for particular employers. Additionally, some of the changes proposed may have a loss cost/rate impact.

**IMPLEMENTATION**

This item is applicable to new and renewal policies with an effective date on or after April 1, 2017.

NATIONAL CLASSIFICATIONS WITH LOW CREDIBILITY- ELIMINATED IN NORTH CAROLINA

Effective April 1, 2017

National Classification to Be Eliminated	Proposed National Classification (Unless Otherwise Noted)
0400—Cotton—Compressing & Drivers	8103—Cotton Compressing
	7380—Drivers, Chauffeurs, Messengers, and Their Helpers NOC—Commercial
1852—Asbestos Goods Mfg.	Multiple equivalent national classifications, depending on the method of manufacturing.
2300—Plush or Velvet Mfg. 2300—Velvet or Plush Mfg.	2501—Cloth, Canvas, and Related Products Mfg. NOC
2386—Lace Mfg.	2501—Cloth, Canvas, and Related Products Mfg. NOC <b>*(See Note)</b>
2913—Rattan, Willow, or Twisted Fiber Products Mfg. 2913—Willow, Rattan, or Twisted Fiber Products Mfg. 2913—Willowware Mfg.	2883—Furniture Manufacturing and Cabinet Shop—Wood—NOC <b>** (See Note)</b>
2942—Crayon, Pencil, or Penholder Mfg. 2942—Pencil, Penholder, or Crayon Mfg. 2942—Penholder, Crayon or Pencil Mfg.	4432—Crayon Mfg. 4432—Pen Mfg. 4432—Pencil Mfg.—Mechanical
6260—Tunneling—Pneumatic—All Operations	6251—Tunneling—All Operations DC, GA, MD
8105—Store—Hide or Leather Dealer 8105—Store—Leather or Hide Dealer	8018—Store—Wholesale—NOC

\* The proposed national phraseology will not apply in North Carolina. Class Code 2386-Lace Mfg will be retained as a State-Special classification for North Carolina.

\*\*The national phraseology being proposed for other states will be applied in North Carolina. Class Code 2913 Rattan, Willow, or Twisted Fiber Products Mfg, 2913—Willow, Rattan, or Twisted Fiber Products Mfg and 2913 Willowware Mfg will be eliminated, not established as a State-Special classification for North Carolina.

## National Classifications to be Eliminated from the North Carolina Basic Manual

Effective April 1, 2017

## PART II - CLASSIFICATIONS

CLASS CODE	SUB CODE	FN ID	HAZARD GROUP	INDUSTRY GROUP	PHRASOLOGY
0400	0		D	4	COTTON COMPRESSING & DRIVERS
1852	0		G	1	ASBESTOS GOODS MFG
2300	0		A	1	PLUSH OR VELVET MFG
2300	1		A	1	VELVET OR PLUSH MFG
2913	0		A	1	RATTAN, WILLOW, OR TWISTED FIBER PRODUCTS - INCLUDES UPHOLSTERING
2913	1		A	1	WILLOW, RATTAN, OR TWISTED FIBER PRODUCTS
2913	2		A	1	WILLOWWARE MFG
2942	0		A	1	PENCIL, PENHOLDER, OR CRAYON MFG
2942	1		A	1	CRAYON, PENCIL, OR PENHOLDER MFG
2942	2		A	1	PENHOLDER, CRAYON, OR PENCIL MFG
6260	0	●	G	2	TUNNELING-PNEUMATIC-ALL OPERATIONS
8105	0	◆	B	4	STORE: HIDE OR LEATHER DEALER
8105	1	◆	B	4	STORE: LEATHER OR HIDE DEALER

National Classification Converted to State-Special Classification in the North Carolina Basic Manual

Effective April 1, 2017

PART II - CLASSIFICATIONS

CLASS CODE	SUB CODE	FN ID	HAZARD GROUP	INDUSTRY GROUP	PHRASOLOGY
2386	0		B	1	Lace Mfg

**ITEM B-1431—REVISIONS TO BASIC MANUAL CLASSIFICATIONS AND APPENDIX  
E—CLASSIFICATIONS BY HAZARD GROUP**

**EXHIBIT 11**

**ASSIGNED CARRIER PERFORMANCE STANDARDS**

**PERFORMANCE STANDARD 4—LOSS PREVENTION**

(APPLIES IN: AL, AZ, CT, DC, DE, ID, IL, IA, NV, NC, NJ, SC, VA, WV)

(APPROVAL REQUIRED IN: AR, GA, IN, KS, MS, NH, SD)

**D. Qualifying Employers and Survey Location Determination**

**Loss Prevention Survey Table**

Premium Range	Governing Classification Codes
\$50,000 and over	All employers, regardless of governing classification code.
\$20,000 to \$49,999	0037 0042 0050 0083 0106 0401 1005 1016 1164 1165
	1320 1322 1438 1472 1624 1741 1803 4862 2095 2701
	2702 2709 2710 2802 2883 2916 3030 3507 3632 3724
	3821 4420 4511 4581 4583 4635 4771 4828 4829 5022
	5037 5040 5057 5059 5069 5183 5190 5213 5348 5403
	5437 5445 5474 5506 5535 5551 5610 5645 6204 6217
	6235 6251 6252 6260 6319 6702 6703 6704 6834 6836
	6854 6872 6874F 6882 6884 7038 7050 7090 7098 7099
	7228 7229 7309F 7317F 7350F 7370 7403 7420 7422 7425
	7431 7515 7539 7610 7705 7710 7711 8018 8021 8215
	8227 8265 8279 8288 8292 8293 8380 8824 8826 8829
	8831 8832 8833 8835 8842 8864 8868 9014 9015 9016
	9082 9083 9088 9156 9178 9180 9186 9403
	\$1 to \$19,999

## FILING MEMORANDUM

### ITEM B-1431—REVISIONS TO BASIC MANUAL CLASSIFICATIONS AND APPENDIX E—CLASSIFICATIONS BY HAZARD GROUP

---

#### PURPOSE

This item revises, establishes, and eliminates certain:

- Classifications in NCCI's *Basic Manual for Workers Compensation and Employers Liability Insurance (Basic Manual)*
- Statistical codes in NCCI's *Statistical Plan for Workers Compensation and Employers Liability Insurance (Statistical Plan)*
- Information in NCCI's *Assigned Carrier Performance Standards*

The manuals and states impacted by this item and the applicable fact sheets and exhibits are shown in the Exhibit Comments and Implementation Summary section of this item.

#### BACKGROUND

An analysis of NCCI's classification system identified certain classifications with low credibility that are recommended to be eliminated and reassigned to other national or state special classifications with similar operations and as applicable, certain statistical codes. NCCI uses the term "low credibility" to identify classifications that are too small to develop meaningful data for ratemaking purposes.

Additionally, the formatting of certain classifications in Part Two—Classifications of NCCI's *Basic Manual* must be revised to simplify their display and to improve online search results.

#### Classifications With Low Credibility to Be Eliminated

The workers compensation classification system groups employers with similar operations by classification so that loss costs and rates may be calculated to reflect overall employee exposure to injury. NCCI periodically reviews individual classifications, on a statewide and national basis, to determine which, if any, should be considered for elimination because of low credibility.

Credibility is the degree of reliance assigned to a certain body of data, expressed as a weight ranging from 0 to 1. NCCI applies credibility in its classification ratemaking methodology. A classification with low credibility has limited premium volume; therefore, it is too small to develop meaningful data for ratemaking purposes even with the use of national experience in the ratemaking process. Because of the limited premium volume, a large loss in a classification with low credibility adversely affects the volatility of the loss cost or rate for the classification. Classifications with a high degree of credibility are more stable from a ratemaking perspective.

NCCI reviewed the credibility for all classifications based on the latest policy periods used for ratemaking in NCCI's 2014 loss cost and rate filings cycle. As a result of this review, NCCI identified a number of national and state special classifications that have national and state credibility of 25% or less. NCCI considers these classifications to have low credibility.

When determining whether a classification with low credibility should be eliminated and reassigned to another classification with similar operations, NCCI considered:

- The amount of payroll in the classifications

The enclosed materials are copyrighted materials of the National Council on Compensation Insurance, Inc. ("NCCI"). The use of these materials may be governed by a separate contractual agreement between NCCI and its licensees such as an affiliation agreement between you and NCCI. Unless permitted by NCCI, you may not copy, create derivative works (by way of example, create or supplement your own works, databases, software, publications, manuals, or other materials), display, perform, or use the materials, in whole or in part, in any media. Such actions taken by you, or by your direction, may be in violation of federal copyright and other commercial laws. NCCI does not permit or acquiesce such use of its materials. In the event such use is contemplated or desired, please contact NCCI's Legal Department for permission.



## FILING MEMORANDUM

### ITEM B-1431—REVISIONS TO BASIC MANUAL CLASSIFICATIONS AND APPENDIX E—CLASSIFICATIONS BY HAZARD GROUP

---

- The swing limits used for classification ratemaking within a particular state (The swing limit constrains the percentage change, up or down, that the loss cost or rate for a classification may vary from the existing loss cost or rate for that classification. The purpose of the swing limit is to avoid extreme fluctuations in loss costs or rates from year to year.)

NCCI categorized the classifications with low credibility into the following groups, as provided in each fact sheet:

**Fact Sheet 1:** National classifications where most states have zero payroll in the classifications and a small number of states have a limited amount of payroll in the classifications. For states with payroll in the classifications, the difference in the loss cost or rate between the classifications to be eliminated and the reassigned classifications is within the swing limits used for ratemaking within the state.

**Fact Sheet 2:** State special classifications that have zero payroll in the last policy period and low credibility.

**Fact Sheet 3:** State special classifications where the difference in the loss cost or rate between the classifications to be eliminated and the reassigned classifications is within the swing limits used for ratemaking within the state.

**Fact Sheet 4:** State special classifications where the classification to be eliminated will be reassigned to an existing national classification or to a national classification to be established in the state.

**Fact Sheet 5:** State special classifications where the difference in the loss cost or rate between the classifications to be eliminated and the reassigned classifications may exceed the swing limits used for ratemaking within the state; however, for most states, there is a small amount of payroll in the classifications. The impact is expected to be minimal for any employer in this category because the code proposed for elimination is not the governing classification code on the policy.

Low credibility classifications are recommended for elimination because there are very few employers, if any, assigned to the code. In all cases, alternate codes in the classification system contemplate the same or similar exposure as the classification being eliminated.

Classifications that are proposed for elimination are not unique to a single industry group. These classifications represent varied groups including, but not limited to, construction, retail, farming, and manufacturing. The decline in payroll and credibility in these classifications may be due to a number of economic factors. For example, in the manufacturing industry, some products may have simply diminished in popularity, technology has changed over the years, or production has moved overseas, resulting in classifications that are unstable for ratemaking purposes.

Eliminated classifications may have a small amount of remaining exposure, or the possibility of generating exposure in the future. In anticipating these situations, NCCI has assigned alternate classifications to ensure the proper transition from the eliminated class code to an existing code. This is referred to as code mapping.

Below are guidelines used by NCCI when determining code mapping:

The enclosed materials are copyrighted materials of the National Council on Compensation Insurance, Inc. ("NCCI"). The use of these materials may be governed by a separate contractual agreement between NCCI and its licensees such as an affiliation agreement between you and NCCI. Unless permitted by NCCI, you may not copy, create derivative works (by way of example, create or supplement your own works, databases, software, publications, manuals, or other materials), display, perform, or use the materials, in whole or in part, in any media. Such actions taken by you, or by your direction, may be in violation of federal copyright and other commercial laws. NCCI does not permit or acquiesce such use of its materials. In the event such use is contemplated or desired, please contact NCCI's Legal Department for permission.

## FILING MEMORANDUM

### ITEM B-1431—REVISIONS TO BASIC MANUAL CLASSIFICATIONS AND APPENDIX E—CLASSIFICATIONS BY HAZARD GROUP

---

- The proposed classification to be eliminated has an identical match to an existing classification. The only difference is the code number under which the data will be reported
- In cases where the proposed classification to be eliminated does not map directly to an existing classification, NCCI has identified an alternate classification that most closely describes the business
- Some eliminated classifications will map to multiple classifications. In these instances, there is not a single classification that best describes the business. Multiple classifications must be considered, depending on the operations of the employer

Each Fact Sheet related to low credibility code elimination includes a table that displays the code mapping. These tables are provided for informational purposes only. The corresponding exhibits will display the classification proposed for each state.

#### Classifications to Be Reformatted

**Fact Sheet 6** identifies the national classifications that must be reformatted to simplify the display of the classifications in Part Two—Classifications of NCCI's *Basic Manual* for improved online search results. Some wording will be revised to maintain the proper context of the information when displayed on a separate web page. Reformatting will not result in the reclassification of any employers.

#### PROPOSAL

This item is presented in exhibits as shown in the Exhibit Comments and Implementation Summary section of this item. Each exhibit's fact sheet details the proposals relating to that exhibit, as well as the background and basis for the proposed changes, the estimated impact of the proposals, and the details of implementation.

The proposed changes have been consolidated for display purposes only. Exhibits may display several revised, established, and eliminated phraseologies. These phraseologies should each be viewed as individual changes to *Basic Manual* content. The exhibit will only show the proposed changes for the classification code impacted by this item. Routine revisions to incorporate plain language are also included in this item.

#### IMPACT

The fact sheet for each exhibit details the potential impacts specific to each of the proposed changes. NCCI recognizes that some recommendations, such as moving a specific operation from one classification to another, may have a premium impact for particular employers. Additionally, some of the changes proposed may have a loss cost/rate impact.

#### IMPLEMENTATION

This item is applicable to new and renewal policies and will become effective concurrent with each state's approved loss cost/rate filing effective on and after October 1, 2016, unless otherwise noted. For example, this item will become effective October 1, 2016, for approved loss cost/rate filings that have an October 1, 2016 effective date. If there is no loss cost/rate filing for a state in a given year, this item will take effect on

The enclosed materials are copyrighted materials of the National Council on Compensation Insurance, Inc. ("NCCI"). The use of these materials may be governed by a separate contractual agreement between NCCI and its licensees such as an affiliation agreement between you and NCCI. Unless permitted by NCCI, you may not copy, create derivative works (by way of example, create or supplement your own works, databases, software, publications, manuals, or other materials), display, perform, or use the materials, in whole or in part, in any media. Such actions taken by you, or by your direction, may be in violation of federal copyright and other commercial laws. NCCI does not permit or acquiesce such use of its materials. In the event such use is contemplated or desired, please contact NCCI's Legal Department for permission.

FILING MEMORANDUM

**ITEM B-1431—REVISIONS TO BASIC MANUAL CLASSIFICATIONS AND APPENDIX  
 E—CLASSIFICATIONS BY HAZARD GROUP**

that state's regular loss cost/rate effective date. The regular loss cost/rate effective date is the date of the state's previous year's loss cost/rate effective date.

**Anticipated Effective Dates by State**

The following chart shows the anticipated effective dates for each state:

State	Anticipated* Effective Date
Alabama	March 1, 2017
Alaska	January 1, 2017
Arizona	January 1, 2017
Arkansas	July 1, 2017
Colorado	January 1, 2017
Connecticut	January 1, 2017
District of Columbia	November 1, 2016
Florida	The effective date of this item will depend on the date that regulatory approval is granted. If the item is approved on or before July 1, 2016, it will become effective January 1, 2017. If it is approved after July 1, 2016, it will become effective January 1, 2018.
Georgia	March 1, 2017
Hawaii	This item will be implemented in Hawaii's loss cost filing proposed to be effective January 1, 2017. The effective date will be determined upon regulatory approval of the individual carrier's election to adopt this change.
Idaho	January 1, 2017
Illinois	January 1, 2017
Indiana	January 1, 2017
Iowa	January 1, 2017
Kansas	January 1, 2017
Kentucky	October 1, 2016
Louisiana	May 1, 2017
Maine	April 1, 2017

The enclosed materials are copyrighted materials of the National Council on Compensation Insurance, Inc. ("NCCI"). The use of these materials may be governed by a separate contractual agreement between NCCI and its licensees such as an affiliation agreement between you and NCCI. Unless permitted by NCCI, you may not copy, create derivative works (by way of example, create or supplement your own works, databases, software, publications, manuals, or other materials), display, perform, or use the materials, in whole or in part, in any media. Such actions taken by you, or by your direction, may be in violation of federal copyright and other commercial laws. NCCI does not permit or acquiesce such use of its materials. In the event such use is contemplated or desired, please contact NCCI's Legal Department for permission.

FILING MEMORANDUM

ITEM B-1431—REVISIONS TO BASIC MANUAL CLASSIFICATIONS AND APPENDIX  
 E—CLASSIFICATIONS BY HAZARD GROUP

State	Anticipated* Effective Date
Maryland	January 1, 2017
Mississippi	March 1, 2017
Missouri	January 1, 2017
Montana	July 1, 2017
Nebraska	February 1, 2017
Nevada	March 1, 2017
New Hampshire	January 1, 2017
New Mexico	January 1, 2017
North Carolina	April 1, 2017
Oklahoma	January 1, 2017
Oregon	January 1, 2017
Rhode Island	August 1, 2017
South Carolina	September 1, 2017
South Dakota	July 1, 2017
Tennessee	March 1, 2017
Texas	July 1, 2017
Utah	December 1, 2016
Vermont	April 1, 2017
Virginia	April 1, 2017
West Virginia	November 1, 2016

\* Subject to change, depending upon the approved effective date of the loss cost/rate filing if a loss cost/rate filing has been submitted for a state.

The enclosed materials are copyrighted materials of the National Council on Compensation Insurance, Inc. ("NCCI"). The use of these materials may be governed by a separate contractual agreement between NCCI and its licensees such as an affiliation agreement between you and NCCI. Unless permitted by NCCI, you may not copy, create derivative works (by way of example, create or supplement your own works, databases, software, publications, manuals, or other materials), display, perform, or use the materials, in whole or in part, in any media. Such actions taken by you, or by your direction, may be in violation of federal copyright and other commercial laws. NCCI does not permit or acquiesce such use of its materials. In the event such use is contemplated or desired, please contact NCCI's Legal Department for permission.

FILING MEMORANDUM

ITEM B-1431—REVISIONS TO BASIC MANUAL CLASSIFICATIONS AND APPENDIX  
 E—CLASSIFICATIONS BY HAZARD GROUP

EXHIBIT COMMENTS AND IMPLEMENTATION SUMMARY

Exhibits		Fact Sheet	Exhibit #	Proposal Applicable in:
<i>Basic Manual</i>	National Classifications With Low Credibility to Be Eliminated	1	1A	All States Except AZ, TN, TX, VA
			1B	All States Except TX, VA
			1C	All States Except TX, VA
			1D	All States Except TX, VA
			1E	All States Except TX, VA
			1F	All States Except TX, VA
			1G	All States Except GA, IL, TX, VA
			1H	All States Except TX, VA
			1I	All States Except DC, GA, MD, TX, VA
			1J	All States Except TX, VA
			1K	All States Except LA, TX, VA
			1L	All States Except TX, VA
			1M	All States Except TX, VA
	8	VA		
	State Special Classifications With Low Credibility to Be Eliminated	2	2	AL, AZ, CO, FL, IL, KS, KY, MD, ME, MO, MS, NM, OK, RI, TX, VT
			8	VA
		3	3	AL, AR, AZ, CT, IL, KY, LA, MD, MO, MS, MT, NM, OK, OR, SC, TN, UT
			8	VA
		4	4	AL, GA, LA, MO, OK, TX
		5	5	AL, CT, GA, ID, LA, ME, MO, NV, OK, OR, RI, TN, TX, WV
			8	VA
		National Classifications to Be Reformatted	6	6A
	6B			All States Except FL, TX, VA
	6C			All States Except CO, FL, OR, TX, VA
	6D			All States Except TX, VA
	6E			All States Except TX, VA
6F	All States Except TX, VA			

The enclosed materials are copyrighted materials of the National Council on Compensation Insurance, Inc. ("NCCI"). The use of these materials may be governed by a separate contractual agreement between NCCI and its licensees such as an affiliation agreement between you and NCCI. Unless permitted by NCCI, you may not copy, create derivative works (by way of example, create or supplement your own works, databases, software, publications, manuals, or other materials), display, perform, or use the materials, in whole or in part, in any media. Such actions taken by you, or by your direction, may be in violation of federal copyright and other commercial laws. NCCI does not permit or acquiesce such use of its materials. In the event such use is contemplated or desired, please contact NCCI's Legal Department for permission.

FILING MEMORANDUM

ITEM B-1431—REVISIONS TO BASIC MANUAL CLASSIFICATIONS AND APPENDIX  
 E—CLASSIFICATIONS BY HAZARD GROUP

Exhibits	Fact Sheet	Exhibit #	Proposal Applicable in:
		6G	All States Except AK, FL, ID, LA, MT, OR, TX, VA
		6H	All States Except LA, TX, VA
		6I	All States Except OR, TX, VA
		6J	All States Except OR, TX, VA
		6K	All States Except AZ, TX, VA
		6L	All States Except TX, VA
		6M	All States Except DC, TX, VA
		6N	All States Except TX, VA
		6O	All States Except DC, OR, TX, VA
		6P	All States Except OR, TX, VA
		8	VA
Appendix E—Table of Classifications by Hazard Group	1, 2, 3, 4, 5, 6	7	All States
Additional State-Specific Exhibits	1, 6	8	AK, AZ, CT, DC, FL, GA, ID, IL, LA, MD, MO, MT, NC, OK, OR, RI, SC, TN
CCPAP Exhibits	1, 3, 4	9	AK, CT, FL, HI, IL, MD, MO, MT, NE, NM, OK, OR, VA
<i>Statistical Plan Coding Values</i>	3, 4, 5	10	GA, OK, TN
<i>Assigned Carrier Performance Standards</i>	1, 4	11	AK, AR, GA, IN, KS, MS, NH, OR, SD

The enclosed materials are copyrighted materials of the National Council on Compensation Insurance, Inc. ("NCCI"). The use of these materials may be governed by a separate contractual agreement between NCCI and its licensees such as an affiliation agreement between you and NCCI. Unless permitted by NCCI, you may not copy, create derivative works (by way of example, create or supplement your own works, databases, software, publications, manuals, or other materials), display, perform, or use the materials, in whole or in part, in any media. Such actions taken by you, or by your direction, may be in violation of federal copyright and other commercial laws. NCCI does not permit or acquiesce such use of its materials. In the event such use is contemplated or desired, please contact NCCI's Legal Department for permission.

ITEM B-1431—REVISIONS TO BASIC MANUAL CLASSIFICATIONS AND APPENDIX  
E—CLASSIFICATIONS BY HAZARD GROUP

---

EXHIBIT 1—FACT SHEET

NATIONAL CLASSIFICATIONS WITH LOW CREDIBILITY TO BE ELIMINATED

**PURPOSE**

The purpose of the proposed changes is to eliminate certain national classifications in NCCI's *Basic Manual* that have low credibility.

**BACKGROUND**

NCCI has identified a number of national classifications that have low credibility on a statewide basis. In most states, the national classifications did not have payroll for the latest policy period used for ratemaking in NCCI's 2014 loss cost and rate filings cycle; in other states there is a small amount of payroll in the classifications.

These national classifications must be eliminated and reassigned to other classifications with similar operations. The reassignment of these classifications to existing, analogous classifications will result in the use of more credible data from which to calculate loss costs and rates.

The national classifications to be eliminated are listed in the Proposal section of this fact sheet. For those states where the difference between the loss costs or rates for the eliminated classification and the proposed classification exceeds the swing limits used for ratemaking within the state, the national classification to be eliminated must be maintained as a state special classification.

**PROPOSAL**

This item proposes to revise NCCI's *Basic Manual* as follows:

1. National classifications will be eliminated and revised as indicated in the following table and exhibits. Some states will retain eliminated national classifications as state special classifications. Refer to the following table and Exhibit 8 for state specific information.
2. Code 0400—Cotton—Compressing & Drivers will be eliminated and a new national phraseology will be established. The new phraseology will be Code 8103—Cotton Compressing.
3. Code 2942—Crayon, Pencil, or Penholder Mfg. will be eliminated and a new national phraseology for crayon manufacturing will be established for existing national classifications. The new phraseology will be Code 4432—Crayon Mfg.
4. Code 6260—Tunneling—Pneumatic—All Operations will be eliminated and reassigned to Code 6251—Tunneling—Not Pneumatic—All Operations. Code 6251 must be revised to account for both pneumatic and non-pneumatic tunneling operations. The revised phraseology will be 6251—Tunneling—All Operations. The phraseology notes for Code 3365—Welding or Cutting NOC & Drivers, Code 6306—Sewer Construction—All Operations & Drivers, and Code 6319—Gas Main or Connection Construction & Drivers will also be revised to remove references to eliminated Code 6260.
5. Appendix E—Table of Classifications by Hazard Group will be updated to show the classifications being eliminated or added. Refer to Exhibit 7.
6. CCPAP exhibits will be updated to show the classifications being eliminated or revised. Refer to Exhibit 9.

ITEM B-1431—REVISIONS TO BASIC MANUAL CLASSIFICATIONS AND APPENDIX  
E—CLASSIFICATIONS BY HAZARD GROUP

EXHIBIT 1—FACT SHEET (CONT'D)

National Classification to Be Eliminated	Proposed National Classification (Unless Otherwise Noted)	National Classification to Be Maintained as a State Special Classification
0400—Cotton—Compressing & Drivers	8103—Cotton Compressing	AZ, TN
	7380—Drivers, Chauffeurs, Messengers, and Their Helpers NOC—Commercial*	
1852—Asbestos Goods Mfg.	Multiple equivalent national classifications, depending on the method of manufacturing.	OK, SC, VA
2300—Plush or Velvet Mfg. 2300—Velvet or Plush Mfg.	2501—Cloth, Canvas, and Related Products Mfg. NOC*	N/A
2386—Lace Mfg.	2501—Cloth, Canvas, and Related Products Mfg. NOC*	CT, NC, RI
2913—Rattan, Willow, or Twisted Fiber Products Mfg. 2913—Willow, Rattan, or Twisted Fiber Products Mfg. 2913—Willowware Mfg.	2883—Furniture Manufacturing and Cabinet Shop—Wood—NOC*	NC, TN
2942—Crayon, Pencil, or Penholder Mfg. 2942—Pencil, Penholder, or Crayon Mfg. 2942—Penholder, Crayon or Pencil Mfg.	4432—Crayon Mfg. 4432—Pen Mfg.* 4432—Pencil Mfg.—Mechanical*	GA, IL
6260—Tunneling—Pneumatic—All Operations	6251—Tunneling—All Operations DC**, GA**, MD**	N/A
8105—Store—Hide or Leather Dealer 8105—Store—Leather or Hide Dealer	8018—Store—Wholesale—NOC*	IL, MT

\* The proposed national phraseology currently applies in all states, except where indicated in the exhibits. Therefore, no national exhibit is proposed for approval.

\*\* The state special classification for Code 6251 will be eliminated and the proposed national classification for Code 6251 will be filed in this state. Refer to Exhibit 8.

**IMPACT**

Historical experience from the discontinued codes will be reassigned to the corresponding national codes when the eliminated code maps primarily to one corresponding national code. The loss costs/rates and rating values for the national codes will be based on the combined historical data of the discontinued codes and the corresponding national codes. It is possible that individual employers may experience an increase or decrease in premium from the transfer of payroll to the proposed national classifications. The impact to individual risks will depend on the amount of historical payroll that transfers from the discontinued codes to the national codes. The increase or decrease in loss costs/rates is expected to be within state swing limits. No impact to overall statewide premium is expected as a result of this change.



ITEM B-1431—REVISIONS TO BASIC MANUAL CLASSIFICATIONS AND APPENDIX  
E—CLASSIFICATIONS BY HAZARD GROUP

---

EXHIBIT 1—FACT SHEET (CONT'D)

ADDITIONAL STATE SPECIFIC PROPOSALS AND IMPACTS

**Florida Proposal:**

In addition to the national proposal, NCCI recommends that Florida revise *Basic Manual* Rule 3-A-7-a as a result of the proposed elimination of Code 1852 to remove a reference to this code. Refer to Exhibit 8.

**Florida Impact:**

There will be no statewide premium impact as a result of this proposal.

**Louisiana Proposal:**

In addition to the national proposal, NCCI recommends that Louisiana revise the note for state special classification Code 3365—Welding or Cutting NOC & Drivers as a result of the proposed elimination of Code 6260 to remove a reference to this code. Refer to Exhibit 8.

**Louisiana Impact:**

There will be no statewide premium impact as a result of this proposal.

**Missouri Proposal:**

In addition to the national proposal, NCCI recommends that Missouri revise *Basic Manual* Rule 3-A-7-a as a result of the proposed elimination of Codes 1852 and 6260 to remove references to these codes. Refer to Exhibit 8.

**Missouri Impact:**

There will be no statewide premium impact as a result of this proposal.

**Oregon Proposal:**

In addition to the national proposal, NCCI recommends that Oregon establish Code 4432 and adopt the national phraseologies for Crayon Mfg., Pen Mfg., and Pencil Mfg.—Mechanical.

**Oregon Impact:**

There will be no statewide premium impact as a result of this proposal.

**Virginia Proposal:**

NCCI recommends that Virginia retain Code 1852—Asbestos Goods Mfg. as a state special classification, and eliminate the following Virginia Special Classifications in NCCI's *Basic Manual*:

- Code 0400—Cotton Compressing & Drivers
- Code 2300—Plush or Velvet Mfg.
- Code 2386—Lace Mfg.
- Code 2913—Rattan, Willow, or Twisted Fiber Products Mfg.
- Code 2942—Pencil, Penholder or Crayon Mfg.
- Code 6260—Tunneling—Pneumatic—All Operations

**ITEM B-1431—REVISIONS TO BASIC MANUAL CLASSIFICATIONS AND APPENDIX  
E—CLASSIFICATIONS BY HAZARD GROUP**

---

**EXHIBIT 1—FACT SHEET (CONT'D)**

- Code 8105—Store—Hide or Leather Dealer

In addition, NCCI recommends that the following Virginia codes be revised to remove references to eliminated codes and to incorporate plain language: Codes 2362, 2688, 2883, 3365, 4432, 6251, 6306, 6319, 8017, 8018 and 8108.

Refer to Exhibit 8 for Virginia exhibits.

**Virginia Impact:**

Historical experience from the discontinued class codes will be reassigned to the corresponding class codes when the eliminated code maps primarily to one corresponding code. The loss costs/rates and rating values for the national codes will be based on the combined historical data of the discontinued codes and the corresponding codes. It is possible that individual employers may experience an increase or decrease in premium from the transfer of payroll to the proposed national classifications. The impact to individual risks will depend on the amount of historical payroll that transfers from the discontinued codes to the national codes. The increase or decrease in loss costs/rates is expected to be within state swing limits. No impact to overall statewide premium is expected as a result of this change.

ITEM B-1431—REVISIONS TO BASIC MANUAL CLASSIFICATIONS AND APPENDIX  
E—CLASSIFICATIONS BY HAZARD GROUP

---

EXHIBIT 1A—NATIONAL CLASSIFICATIONS  
BASIC MANUAL—2001 EDITION  
FACT SHEET 1—NATIONAL CLASSIFICATIONS WITH LOW CREDIBILITY TO BE ELIMINATED  
PART TWO—CLASSIFICATIONS  
(APPLIES IN: AK, AL, AR, CO, CT, DC, FL, GA, HI, IA, ID, IL, IN, KS, KY, LA, MD, ME, MO, MS,  
MT, NC, NE, NH, NM, NV, OK, OR, RI, SC, SD, UT, VT, WV)

8103◆ COTTON COMPRESSING

Includes incidental warehouses. Codes 8103 and 0401 must not be assigned to the same employer unless the operations described by these classifications are conducted as separate and distinct businesses.

ITEM B-1431—REVISIONS TO BASIC MANUAL CLASSIFICATIONS AND APPENDIX  
E—CLASSIFICATIONS BY HAZARD GROUP

---

EXHIBIT 1B—NATIONAL CLASSIFICATIONS  
BASIC MANUAL—2001 EDITION  
FACT SHEET 1—NATIONAL CLASSIFICATIONS WITH LOW CREDIBILITY TO BE ELIMINATED  
PART TWO—CLASSIFICATIONS  
(APPLIES IN: AK, AL, AR, AZ, CO, CT, DC, FL, GA, HI, IA, ID, IL, IN, KS, KY, LA, MD, ME, MO,  
MS, MT, NC, NE, NH, NM, NV, OK, OR, RI, SC, SD, TN, UT, VT, WV)

**0400 COTTON—COMPRESSING & DRIVERS**

~~Includes incidental warehouses. Codes 0400 and 0401—Cotton gin shall not be assigned to the same risk unless the operations described by these classifications are conducted as separate and distinct businesses.~~

ITEM B-1431—REVISIONS TO BASIC MANUAL CLASSIFICATIONS AND APPENDIX  
E—CLASSIFICATIONS BY HAZARD GROUP

---

EXHIBIT 1C—NATIONAL CLASSIFICATIONS  
BASIC MANUAL—2001 EDITION

FACT SHEET 1—NATIONAL CLASSIFICATIONS WITH LOW CREDIBILITY TO BE ELIMINATED  
PART TWO—CLASSIFICATIONS

(APPLIES IN: AK, AL, AR, AZ, CO, CT, DC, FL, GA, HI, IA, ID, IL, IN, KS, KY, LA, MD, ME, MO,  
MS, MT, NC, NE, NH, NM, NV, OK, OR, RI, SC, SD, TN, UT, VT, WV)

~~4852 ASBESTOS—GOODS MFG.~~  
~~Includes spinning or weaving.~~

ITEM B-1431—REVISIONS TO BASIC MANUAL CLASSIFICATIONS AND APPENDIX  
E—CLASSIFICATIONS BY HAZARD GROUP

---

EXHIBIT 1D—NATIONAL CLASSIFICATIONS  
BASIC MANUAL—2001 EDITION  
FACT SHEET 1—NATIONAL CLASSIFICATIONS WITH LOW CREDIBILITY TO BE ELIMINATED  
PART TWO—CLASSIFICATIONS  
(APPLIES IN: AK, AL, AR, AZ, CO, CT, DC, FL, GA, HI, IA, ID, IL, IN, KS, KY, LA, MD, ME, MO,  
MS, MT, NC, NE, NH, NM, NV, OK, OR, RI, SC, SD, TN, UT, VT, WV)

~~2300~~ ~~PLUSH OR VELVET MFG.~~

~~2300~~ ~~VELVET OR PLUSH MFG.~~

NATIONAL COUNCIL ON COMPENSATION INSURANCE, INC.

B-1431  
PAGE 16

ITEM B-1431—REVISIONS TO BASIC MANUAL CLASSIFICATIONS AND APPENDIX  
E—CLASSIFICATIONS BY HAZARD GROUP

---

EXHIBIT 1E—NATIONAL CLASSIFICATIONS  
BASIC MANUAL—2001 EDITION  
FACT SHEET 1—NATIONAL CLASSIFICATIONS WITH LOW CREDIBILITY TO BE ELIMINATED  
PART TWO—CLASSIFICATIONS  
(APPLIES IN: AK, AL, AR, AZ, CO, CT, DC, FL, GA, HI, IA, ID, IL, IN, KS, KY, LA, MD, ME, MO,  
MS, MT, NC, NE, NH, NM, NV, OK, OR, RI, SC, SD, TN, UT, VT, WV)

2386 LAGE MFG.

ITEM B-1431—REVISIONS TO BASIC MANUAL CLASSIFICATIONS AND APPENDIX  
E—CLASSIFICATIONS BY HAZARD GROUP

---

EXHIBIT 1F—NATIONAL CLASSIFICATIONS  
BASIC MANUAL—2001 EDITION  
FACT SHEET 1—NATIONAL CLASSIFICATIONS WITH LOW CREDIBILITY TO BE ELIMINATED  
PART TWO—CLASSIFICATIONS  
(APPLIES IN: AK, AL, AR, AZ, CO, CT, DC, FL, GA, HI, IA, ID, IL, IN, KS, KY, LA, MD, ME, MO,  
MS, MT, NC, NE, NH, NM, NV, OK, OR, RI, SC, SD, TN, UT, VT, WV)

- ~~2943 RATTAN, WILLOW, OR TWISTED FIBER PRODUCTS MFG.-  
Includes upholstering.~~
- ~~2943 WILLOW, RATTAN, OR TWISTED FIBER PRODUCTS MFG.-  
Includes upholstering.~~
- ~~2943 WILLOWWARE MFG.~~



NATIONAL COUNCIL ON COMPENSATION INSURANCE, INC.

B-1431  
PAGE 18

ITEM B-1431—REVISIONS TO BASIC MANUAL CLASSIFICATIONS AND APPENDIX  
E—CLASSIFICATIONS BY HAZARD GROUP

---

EXHIBIT 1G—NATIONAL CLASSIFICATIONS  
BASIC MANUAL—2001 EDITION  
FACT SHEET 1—NATIONAL CLASSIFICATIONS WITH LOW CREDIBILITY TO BE ELIMINATED  
PART TWO—CLASSIFICATIONS  
(APPLIES IN: AK, AL, AR, AZ, CO, CT, DC, FL, HI, IA, ID, IN, KS, KY, LA, MD, ME, MO, MS, MT,  
NC, NE, NH, NM, NV, OK, OR, RI, SC, SD, TN, UT, VT, WV)

4432      CRAYON MFG.

ITEM B-1431—REVISIONS TO BASIC MANUAL CLASSIFICATIONS AND APPENDIX  
E—CLASSIFICATIONS BY HAZARD GROUP

---

EXHIBIT 1H—NATIONAL CLASSIFICATIONS  
BASIC MANUAL—2001 EDITION

FACT SHEET 1—NATIONAL CLASSIFICATIONS WITH LOW CREDIBILITY TO BE ELIMINATED  
PART TWO—CLASSIFICATIONS

(APPLIES IN: AK, AL, AR, AZ, CO, CT, DC, FL, GA, HI, IA, ID, IL, IN, KS, KY, LA, MD, ME, MO,  
MS, MT, NC, NE, NH, NM, NV, OK, OR, RI, SC, SD, TN, UT, VT, WV)

- 2942 GRAYON, PENCIL, OR PENHOLDER MFG.
- 2942 PENCIL, PENHOLDER OR GRAYON MFG.
- 2942 PENHOLDER, GRAYON OR PENCIL MFG.

ITEM B-1431—REVISIONS TO BASIC MANUAL CLASSIFICATIONS AND APPENDIX  
E—CLASSIFICATIONS BY HAZARD GROUP

---

EXHIBIT 1I—NATIONAL CLASSIFICATIONS  
BASIC MANUAL—2001 EDITION

FACT SHEET 1—NATIONAL CLASSIFICATIONS WITH LOW CREDIBILITY TO BE ELIMINATED  
PART TWO—CLASSIFICATIONS

(APPLIES IN: AK, AL, AR, AZ, CT, CO, FL, HI, IA, ID, IL, IN, KS, KY, LA, ME, MO, MS, MT, NC,  
NE, NH, NM, NV, OK, OR, RI, SC, SD, TN, UT, VT, WV)

6251• ~~TUNNELING—NOT PNEUMATIC—ALL OPERATIONS—~~

Includes lining, all employees working under air pressure, and all others working in the tunnel or performing work in connection with equipment. Subway construction to be separately rated.

ITEM B-1431—REVISIONS TO BASIC MANUAL CLASSIFICATIONS AND APPENDIX  
E—CLASSIFICATIONS BY HAZARD GROUP

---

EXHIBIT 1J—NATIONAL CLASSIFICATIONS  
BASIC MANUAL—2001 EDITION

FACT SHEET 1—NATIONAL CLASSIFICATIONS WITH LOW CREDIBILITY TO BE ELIMINATED  
PART TWO—CLASSIFICATIONS

(APPLIES IN: AK, AL, AR, AZ, CO, CT, DC, FL, GA, HI, IA, ID, IL, IN, KS, KY, LA, MD, ME, MO,  
MS, MT, NC, NE, NH, NM, NV, OK, OR, RI, SC, SD, TN, UT, VT, WV)

**6268• TUNNELING—PNEUMATIC—ALL OPERATIONS**

~~Includes lining, all employees working under air pressure and all others working in the tunnel or in  
work on the apparatus connected therewith.~~

ITEM B-1431—REVISIONS TO BASIC MANUAL CLASSIFICATIONS AND APPENDIX  
E—CLASSIFICATIONS BY HAZARD GROUP

---

EXHIBIT 1K—NATIONAL CLASSIFICATIONS  
BASIC MANUAL—2001 EDITION

FACT SHEET 1—NATIONAL CLASSIFICATIONS WITH LOW CREDIBILITY TO BE ELIMINATED  
PART TWO—CLASSIFICATIONS

(APPLIES IN: AK, AL, AR, AZ, CO, CT, DC, FL, GA, HI, IA, ID, IL, IN, KS, KY, MD, ME, MO, MS,  
MT, NC, NE, NH, NM, NV, OK, OR, RI, SC, SD, TN, UT, VT, WV)

3365• WELDING OR CUTTING NOC & DRIVERS-

Applies to both shop and outside work and includes incidental machining operations. ~~Shall~~ Must not be assigned at a single job or location to a ~~risk engaged in an employer that performs~~ operations described by another classification. An exception exists in that work under air pressure ~~shall~~ must be rated as Code 6252—Shaft sinking or ~~6260~~ 6251—Tunneling—All Operations; work in connection with demolition jobs ~~shall~~ must be rated as wrecking; work in connection with erection of iron or steel erection ~~shall~~ must be so rated; and work in connection with oil or gas pipeline construction ~~shall~~ must be rated as Code 6233—Oil or gas pipeline construction.

ITEM B-1431—REVISIONS TO BASIC MANUAL CLASSIFICATIONS AND APPENDIX  
E—CLASSIFICATIONS BY HAZARD GROUP

---

EXHIBIT 1L—NATIONAL CLASSIFICATIONS  
BASIC MANUAL—2001 EDITION

FACT SHEET 1—NATIONAL CLASSIFICATIONS WITH LOW CREDIBILITY TO BE ELIMINATED  
PART TWO—CLASSIFICATIONS

(APPLIES IN: AK, AL, AR, AZ, CO, CT, DC, FL, GA, HI, IA, ID, IL, IN, KS, KY, LA, MD, ME, MO,  
MS, MT, NC, NE, NH, NM, NV, OK, OR, RI, SC, SD, TN, UT, VT, WV)

**6306• SEWER CONSTRUCTION—ALL OPERATIONS & DRIVERS.**

Includes tunneling at street crossings when not performed under air pressure. All other tunneling to be separately rated as Code 6251 ~~or 6260~~. Surface restoration to be separately rated.

**6319• STEAM MAINS OR CONNECTIONS CONSTRUCTION & DRIVERS.**

Includes tunneling at street crossings when not performed under air pressure. All other tunneling to be separately rated as Code 6251 ~~or 6260~~.

Code 7539—Steam heating or power company ~~shall~~ must not be assigned at the same job or location to which Code 6319 applies.

ITEM B-1431—REVISIONS TO BASIC MANUAL CLASSIFICATIONS AND APPENDIX  
E—CLASSIFICATIONS BY HAZARD GROUP

---

EXHIBIT 1M—NATIONAL CLASSIFICATIONS  
BASIC MANUAL—2001 EDITION  
FACT SHEET 1—NATIONAL CLASSIFICATIONS WITH LOW CREDIBILITY TO BE ELIMINATED  
PART TWO—CLASSIFICATIONS  
(APPLIES IN: AK, AL, AR, AZ, CO, CT, DC, FL, GA, HI, IA, ID, IL, IN, KS, KY, LA, MD, ME, MO,  
MS, MT, NC, NE, NH, NM, NV, OK, OR, RI, SC, SD, TN, UT, VT, WV)

8405◆ STORE—HIDE OR LEATHER DEALER

8405◆ STORE—LEATHER OR HIDE DEALER

**ITEM B-1431—REVISIONS TO BASIC MANUAL CLASSIFICATIONS AND APPENDIX  
E—CLASSIFICATIONS BY HAZARD GROUP**

---

**EXHIBIT 6—FACT SHEET  
CLASSIFICATIONS TO BE REFORMATTED**

**PURPOSE**

The purpose of the proposed changes is to reformat certain classifications in Part Two—Classifications of NCCI's *Basic Manual*. Reformatting the classifications will simplify the display of the classifications in the manual for improved online search results on ncci.com.

**BACKGROUND**

In Part Two—Classifications of NCCI's *Basic Manual*, there are situations where certain classifications have a common note for multiple phraseologies. To improve the online search results in these situations, the classifications must be reformatted so that the note is separately displayed with each phraseology. Some notes will need to be revised to maintain the proper context of the information when displayed on a separate web page. Additionally, some wording will be revised to incorporate plain language. Reformatting will not result in the reclassification of any employers.

**PROPOSAL**

This item proposes to reformat the following NCCI *Basic Manual* national classifications as indicated:

1. Dinner Theater NOC
2. Military Reservation—Construction
3. Oil Rig or Derrick Erecting or Dismantling—All Operations
4. Railroad Construction
5. Scaffolding
6. Stevedoring

Refer to Exhibit 8 for Virginia and all other state-specific exhibits.

**IMPACT**

No statewide premium impact is expected and no changes are proposed to the loss costs/rates for any of the classifications to be reformatted.

**ADDITIONAL STATE SPECIFIC PROPOSALS AND IMPACTS**

**Alaska Proposal**

In addition to the national recommendations referenced above, NCCI recommends that Alaska eliminate the state special classifications for Stevedoring and Freight Handling and adopt the national. The national revision eliminates references to specific trucking classifications that do not apply in Alaska, and instead just refers to "trucking classifications." Due to this change, an Alaska special is no longer needed. Refer to Exhibit 8.

**Alaska Impact:**

No statewide premium impact is expected in Alaska as a result of this state specific proposal.

**Arizona Proposal**

In addition to the national recommendations referenced above, NCCI recommends that Arizona revise Rule 4-A-3-g. Item 02-AZ-2015 proposed changes to Arizona's cancellation and nonrenewal provisions. All changes were previously approved by the regulator, but a subsequent NCCI review determined that the following sentence must be added to the rule for clarification: "Change Rule 4-A-3-g as follows:" Refer to Exhibit 8.

**Arizona Impact:**



**ITEM B-1431—REVISIONS TO BASIC MANUAL CLASSIFICATIONS AND APPENDIX  
E—CLASSIFICATIONS BY HAZARD GROUP**

---

**EXHIBIT 6—FACT SHEET (CONT'D)**

No statewide premium impact is expected in Arizona as a result of this state specific proposal.

**Florida Proposal**

In addition to the national recommendations referenced above, NCCI recommends that Florida eliminate the state special classifications for Stevedoring and Freight Handling and adopt the proposed national treatment. The revision to the national language eliminates references to specific trucking classifications that do not apply in Florida, and instead just refers to "trucking classifications." Due to the change, a Florida special is no longer needed. NCCI also recommends that Florida reformat the state special classification for Military Construction for improved online search results. Refer to Exhibit 8.

**Florida Impact:**

No statewide premium impact is expected in Florida as a result of this state specific proposal.

**Idaho Proposal**

In addition to the national recommendations referenced above, NCCI recommends that Idaho eliminate the state special classifications for Stevedoring and Freight Handling and adopt the proposed national treatment. The revision to the national language eliminates references to specific trucking classifications that do not apply in Idaho, and instead just refers to "trucking classifications." Due to the change, an Idaho special is no longer needed. Refer to Exhibit 8.

**Idaho Impact:**

No statewide premium impact is expected in Idaho as a result of this state specific proposal.

**Louisiana Proposal**

In addition to the national recommendations referenced above, NCCI recommends that Louisiana eliminate the state special classifications for Stevedoring and Freight Handling and adopt the proposed national treatment. The revision to the national language eliminates references to specific trucking classifications that do not apply in Louisiana, and instead just refers to "trucking classifications." Due to the change, a Louisiana special is no longer needed. Refer to Exhibit 8.

**Louisiana Impact:**

No statewide premium impact is expected in Louisiana as a result of this state specific proposal.

**Montana Proposal**

In addition to the national recommendations referenced above, NCCI recommends that Montana eliminate the state special classifications for Stevedoring and Freight Handling and adopt the proposed national treatment. The revision to the national language eliminates references to specific trucking classifications that do not apply in Montana, and instead just refers to "trucking classifications." Due to the change, a Montana special is no longer needed. Refer to Exhibit 8.

**Montana Impact:**

No statewide premium impact is expected in Montana as a result of this state specific proposal.

**Oregon Proposal**

In addition to the national recommendations referenced above, NCCI recommends that Oregon reformat the state special classifications for Lumber—Manufacturing for improved online search results and to include a reference to plywood or veneer manufacturing in the notes for:

- Code 2731—Lumber—Manufacturing—Planing or Molding Mill
- Code 2710—Lumber—Manufacturing—Sawmill
- Code 8232—Lumber—Manufacturing—Sawmill—Yard—All Employees & Drivers

**ITEM B-1431—REVISIONS TO BASIC MANUAL CLASSIFICATIONS AND APPENDIX  
E—CLASSIFICATIONS BY HAZARD GROUP**

---

**EXHIBIT 6—FACT SHEET (CONT'D)**

Code 9496—Food Stamp Workfare—including Clerical, Salespersons and Drivers and Code 9499—State Agencies, All Employees and Clerical, Salespersons, Drivers were eliminated in 2011 at the direction of the DCBS. Appendix E must be revised to show the elimination of these codes. Refer to Exhibit 8.

**Oregon Impact:**

No statewide premium impact is expected in Oregon as a result of this state specific proposal.

ITEM B-1431—REVISIONS TO BASIC MANUAL CLASSIFICATIONS AND APPENDIX  
E—CLASSIFICATIONS BY HAZARD GROUP

---

EXHIBIT 6A—NATIONAL CLASSIFICATIONS  
BASIC MANUAL—2001 EDITION  
FACT SHEET 6—CLASSIFICATIONS TO BE REFORMATTED  
PART TWO—CLASSIFICATIONS

(APPLIES IN: AK, AL, AR, AZ, CO, CT, DC, FL, GA, HI, IA, ID, IL, IN, KS, KY, LA, MD, ME, MO,  
MS, MT, NC, NE, NH, NM, NV, OK, RI, SC, SD, TN, UT, VT, WV)

DINNER THEATER NOC—FOOD SERVICE AND PREPARATION INCLUDING DISPENSING  
OF ALCOHOLIC BEVERAGES

The entire operation shall ~~must~~ be classified to the appropriate restaurant or bar classification  
~~Code 9082, 9083 or 9084~~ unless the combined payroll that would otherwise be assignable to  
Codes 9154 and 9156—Theater operations is more than 50% of the total payroll. ~~When such~~  
~~conditions exist, the following classifications shall apply:~~

~~Food Service and Preparation Including Dispensing of Alcoholic Beverages.~~ Assign to  
Code ~~9082, 9083 or 9084~~ as appropriate.

9156

~~Players~~

9154

~~All Other Employees~~

9156

DINNER THEATER NOC—PLAYERS

The entire operation must be classified to the appropriate restaurant or bar classification, unless  
the combined payroll that would otherwise be assignable to Codes 9154 and 9156 is more than  
50% of the total payroll.

9154

DINNER THEATER NOC—ALL OTHER EMPLOYEES

The entire operation must be classified to the appropriate restaurant or bar classification, unless  
the combined payroll that would otherwise be assignable to Codes 9154 and 9156 is more than  
50% of the total payroll.

ITEM B-1431—REVISIONS TO BASIC MANUAL CLASSIFICATIONS AND APPENDIX  
E—CLASSIFICATIONS BY HAZARD GROUP

---

EXHIBIT 6B—NATIONAL CLASSIFICATIONS  
BASIC MANUAL—2001 EDITION  
FACT SHEET 6—CLASSIFICATIONS TO BE REFORMATTED  
PART TWO—CLASSIFICATIONS

(APPLIES IN: AK, AL, AR, AZ, CO, CT, DC, GA, HI, IA, ID, IL, IN, KS, KY, LA, MD, ME, MO, MS,  
MT, NC, NE, NH, NM, NV, OK, OR, RI, SC, SD, TN, UT, VT, WV)

5215• **MILITARY RESERVATION—CONSTRUCTION—CONCRETE CONSTRUCTION—NOT  
MONOLITHIC CONCRETE BUILDING CONSTRUCTION**

Applies only to the construction or repair of buildings designed for the housing, welfare, and keep of personnel. All other operations in the construction or repair of such buildings and all other construction or repair in connection with military reservations must be assigned to appropriate classifications.

1. ~~The following classifications are applicable only to the construction or repair of buildings designed for the housing, welfare, and keep of personnel:~~

5245• **Concrete Construction—Not Monolithic Concrete Building Construction**

5069• **Iron or Steel Erection—Not Over Two Stories in Height**

2. ~~All other operations in the construction or repair of such buildings and all other construction or repair in connection with military reservations shall be assigned to appropriate manual classifications.~~

ITEM B-1431—REVISIONS TO BASIC MANUAL CLASSIFICATIONS AND APPENDIX  
E—CLASSIFICATIONS BY HAZARD GROUP

---

EXHIBIT 6C—NATIONAL CLASSIFICATIONS  
BASIC MANUAL—2001 EDITION  
FACT SHEET 6—CLASSIFICATIONS TO BE REFORMATTED  
PART TWO—CLASSIFICATIONS

(APPLIES IN: AK, AL, AR, AZ, CT, DC, GA, HI, IA, ID, IL, IN, KS, KY, LA, MD, ME, MO, MS,  
MT, NC, NE, NH, NM, NV, OK, RI, SC, SD, TN, UT, VT, WV)

5069• MILITARY RESERVATION—CONSTRUCTION—IRON OR STEEL ERECTION—NOT OVER  
TWO STORIES IN HEIGHT

Applies only to the construction or repair of buildings designed for the housing, welfare, and keep  
of personnel. All other operations in the construction or repair of such buildings and all other  
construction or repair in connection with military reservations must be assigned to appropriate  
classifications.

ITEM B-1431—REVISIONS TO BASIC MANUAL CLASSIFICATIONS AND APPENDIX  
E—CLASSIFICATIONS BY HAZARD GROUP

---

EXHIBIT 6D—NATIONAL CLASSIFICATIONS  
BASIC MANUAL—2001 EDITION  
FACT SHEET 6—CLASSIFICATIONS TO BE REFORMATTED  
PART TWO—CLASSIFICATIONS

(APPLIES IN: AK, AL, AR, AZ, CO, CT, DC, FL, GA, HI, IA, ID, IL, IN, KS, KY, LA, MD, ME, MO,  
MS, MT, NC, NE, NH, NM, NV, OK, OR, RI, SC, SD, TN, UT, VT, WV)

- 5057• OIL RIG OR DERRICK ERECTING OR DISMANTLING—ALL OPERATIONS—METAL  
~~The following two classes include~~ Includes the construction of foundations or structures and the  
installation of equipment.
- ~~5057•~~     **Metal**
- ~~5403•~~     **Wood**
- 5403• OIL RIG OR DERRICK ERECTING OR DISMANTLING—ALL OPERATIONS—WOOD  
Includes the construction of foundations or structures and the installation of equipment.

ITEM B-1431—REVISIONS TO BASIC MANUAL CLASSIFICATIONS AND APPENDIX  
E—CLASSIFICATIONS BY HAZARD GROUP

---

EXHIBIT 6E—NATIONAL CLASSIFICATIONS  
BASIC MANUAL—2001 EDITION  
FACT SHEET 6—CLASSIFICATIONS TO BE REFORMATTED  
PART TWO—CLASSIFICATIONS

(APPLIES IN: AK, AL, AR, AZ, CO, CT, DC, FL, GA, HI, IA, ID, IL, IN, KS, KY, LA, MD, ME, MO,  
MS, MT, NC, NE, NH, NM, NV, OK, OR, RI, SC, SD, TN, UT, VT, WV)

**7855• RAILROAD CONSTRUCTION—LAYING OR RELAYING OF TRACKS OR MAINTENANCE OF  
WAY BY CONTRACTOR—NO WORK ON ELEVATED RAILROADS & DRIVERS**

The classifications for railroad construction and railroad operation ~~immediately following~~ do not contemplate coverage for insurance under the Federal Employers' Liability Act or voluntary compensation coverage for any operations subject to that Act. For such coverage, see refer to Rule 3-A-4. See also Also, refer to Railroad Construction (FELA) and Railroad Operations (FELA) following.

**7855• ~~Laying or Relaying of Tracks or Maintenance of Way by Contractor—No Work on  
Elevated Railroads & Drivers~~**

~~All Other Operations.~~ Assign appropriate construction or erection classification. Laying or relaying of tracks to be separately rated as Code 7855.

**RAILROAD CONSTRUCTION—ALL OTHER OPERATIONS**

Assign appropriate construction or erection classification. Laying or relaying of tracks to be separately rated as Code 7855.

The classifications for railroad construction and railroad operation do not contemplate coverage for insurance under the Federal Employers' Liability Act or voluntary compensation coverage for any operations subject to that Act. For such coverage, refer to Rule 3-A-4. Also, refer to Railroad Construction (FELA) and Railroad Operations (FELA).

ITEM B-1431—REVISIONS TO BASIC MANUAL CLASSIFICATIONS AND APPENDIX  
E—CLASSIFICATIONS BY HAZARD GROUP

---

EXHIBIT 6F—NATIONAL CLASSIFICATIONS  
BASIC MANUAL—2001 EDITION  
FACT SHEET 6—CLASSIFICATIONS TO BE REFORMATTED  
PART TWO—CLASSIFICATIONS

(APPLIES IN: AK, AL, AR, AZ, CO, CT, DC, FL, GA, HI, IA, ID, IL, IN, KS, KY, LA, MD, ME, MO,  
MS, MT, NC, NE, NH, NM, NV, OK, OR, RI, SC, SD, TN, UT, VT, WV)

5057• SCAFFOLDING—CONCRETE OR CEMENT DISTRIBUTING TOWERS—INSTALLATION,  
REPAIR OR REMOVAL

Each type of work undertaken is classified as follows:-

- 5057• ~~Concrete or Cement Distributing Towers—Installation, Repair or Removal~~
- 7228 ~~Delivery of Materials Only—Local Hauling Only—No Installation, Repair or Removal—All  
Employees & Drivers~~
- 7229 ~~Delivery of Materials Only—Long Distance Hauling—No Installation, Repair or  
Removal—All Employees & Drivers~~
- 9534• ~~Outrigger Scaffold Installation, Repair or Removal & Drivers~~
- 5057• ~~Scaffold Installation, Repair or Removal—Built Up From the Ground—Not Suspended  
or Swinging Type~~
- 5403• ~~Sidewalk Bridges Not Over One Story in Height~~
- 9534• ~~Suspended or Swinging Scaffold Installation, Repair or Removal & Drivers~~
- 5057• SCAFFOLDING—SCAFFOLD INSTALLATION, REPAIR OR REMOVAL—BUILT UP FROM  
THE GROUND—NOT SUSPENDED OR SWINGING TYPE
- 5403• SCAFFOLDING—SIDEWALK BRIDGES NOT OVER ONE STORY IN HEIGHT



ITEM B-1431—REVISIONS TO BASIC MANUAL CLASSIFICATIONS AND APPENDIX  
E—CLASSIFICATIONS BY HAZARD GROUP

---

EXHIBIT 6G—NATIONAL CLASSIFICATIONS  
BASIC MANUAL—2001 EDITION  
FACT SHEET 6—CLASSIFICATIONS TO BE REFORMATTED  
PART TWO—CLASSIFICATIONS

(APPLIES IN: AL, AR, AZ, CO, CT, DC, GA, HI, IA, IL, IN, KS, KY, MD, ME, MO, MS, NC, NE,  
NH, NM, NV, OK, RI, SC, SD, TN, UT, VT, WV)

7228 SCAFFOLDING—DELIVERY OF MATERIALS ONLY—LOCAL HAULING ONLY—NO  
INSTALLATION, REPAIR OR REMOVAL—ALL EMPLOYEES & DRIVERS

7229 SCAFFOLDING—DELIVERY OF MATERIALS ONLY—LONG DISTANCE HAULING—NO  
INSTALLATION, REPAIR OR REMOVAL—ALL EMPLOYEES & DRIVERS

ITEM B-1431—REVISIONS TO BASIC MANUAL CLASSIFICATIONS AND APPENDIX  
E—CLASSIFICATIONS BY HAZARD GROUP

---

EXHIBIT 6H—NATIONAL CLASSIFICATIONS  
BASIC MANUAL—2001 EDITION  
FACT SHEET 6—CLASSIFICATIONS TO BE REFORMATTED  
PART TWO—CLASSIFICATIONS

(APPLIES IN: AK, AL, AR, AZ, CO, CT, DC, FL, GA, HI, IA, ID, IL, IN, KS, KY, MD, ME, MO, MS,  
MT, NC, NE, NH, NM, NV, OK, OR, RI, SC, SD, TN, UT, VT, WV)

- 9534• SCAFFOLDING—OUTRIGGER SCAFFOLD INSTALLATION, REPAIR OR REMOVAL & DRIVERS
- 9534• SCAFFOLDING—SUSPENDED OR SWINGING SCAFFOLD INSTALLATION, REPAIR OR REMOVAL & DRIVERS

ITEM B-1431—REVISIONS TO BASIC MANUAL CLASSIFICATIONS AND APPENDIX  
E—CLASSIFICATIONS BY HAZARD GROUP

EXHIBIT 6I—NATIONAL CLASSIFICATIONS  
BASIC MANUAL—2001 EDITION  
FACT SHEET 6—CLASSIFICATIONS TO BE REFORMATTED  
PART TWO—CLASSIFICATIONS

(APPLIES IN: AK, AL, AR, AZ, CO, CT, DC, FL, GA, HI, IA, ID, IL, IN, KS, KY, LA, MD, ME, MO, MS, MT, NC, NE, NH, NM, NV, OK, RI, SC, SD, TN, UT, VT, WV)

**STEVEDORING-**

Any or all of the following operations conducted by employees not members of the crews of vessels ~~shall~~ must be classified as "Stevedoring":

1. Loading or unloading, stowing, shifting, or trimming of cargo, supplies, and materials on board vessels.
2. Transfer of cargo, supplies, and materials between vessels and pier, ~~irrespective~~ regardless of the necessity of work on board vessels by employees of the insured.
3. Transfer between stringpiece and point of deposit on dock or adjacent warehouses—including tiering, sorting, and breaking down.
4. Operations of all mechanical equipment, including dock tractors, in connection with the above.

Any or all operations as ~~above~~ defined above ~~shall~~ must be assigned to Code 7309F—~~Stevedoring~~ NOG if the operations described by Item 2 above, whether conducted by one or more concerns, require the use of hoisting equipment except as provided under Code 7327F—~~Stevedoring—containerized freight~~. All other operations ~~shall~~ must be assigned to Code 7317F—~~Stevedoring—by hand~~. Drivers not conducting stevedoring operations as ~~above~~ defined above ~~shall~~ must be assigned to the appropriate trucking classification. ~~Codes 7228 and 7229—Trucking NOG.~~

- 7317F** ~~By Hand or Hand Trucks Exclusively.~~ Includes the incidental use of power driven escalators or conveyors, or operation of tractors and trailers through side ports. No use of hoisting equipment. Code 7317F shall not be assigned to the same risk in connection with a single vessel unless the operations described by this classification are conducted as a separate and distinct business.
- 7327F** ~~Containerized Freight & Drivers.~~ Applies to ships designed for freight carrying containers. No work in holds. Over the road trucking operations to be separately rated as Codes 7228 and 7229—Trucking. Code 7327F shall not be assigned to the same risk in connection with a single vessel unless the operations described by this classification are conducted as a separate and distinct business.
- ~~Freight Handling—Packing, Handling, or Shipping Explosives or Ammunition—Under Contract.~~ These classifications include freight checkers. Stevedoring of explosives or ammunition to be separately rated to the appropriate stevedoring classification. Drivers to be separately rated as Codes 7228 and 7229—Trucking—hauling explosives.
- 7350F** ~~Coverage Under U.S. Act~~
- 7360** ~~Coverage Under State Act Only~~
- ~~Freight Handling NOG.~~ These classifications include freight checkers. Stevedoring to be separately rated; drivers to be separately rated as Codes 7228 and 7229—Trucking NOG.
- 7350F** ~~Coverage Under U.S. Act~~
- 7360** ~~Coverage Under State Act Only~~
- ~~Talliers and Cheeking Clerks Engaged in Connection With Stevedore Work:~~
- 8709F** ~~Coverage Under U.S. Act~~
- 8749** ~~Coverage Under State Act Only~~

ITEM B-1431—REVISIONS TO BASIC MANUAL CLASSIFICATIONS AND APPENDIX  
E—CLASSIFICATIONS BY HAZARD GROUP

---

EXHIBIT 6I—NATIONAL CLASSIFICATIONS (CONT'D)  
BASIC MANUAL—2001 EDITION  
FACT SHEET 6—CLASSIFICATIONS TO BE REFORMATTED  
PART TWO—CLASSIFICATIONS

(APPLIES IN: AK, AL, AR, AZ, CO, CT, DC, FL, GA, HI, IA, ID, IL, IN, KS, KY, LA, MD, ME, MO,  
MS, MT, NC, NE, NH, NM, NV, OK, RI, SC, SD, TN, UT, VT, WV)

**7309F** ~~NOG.~~ When policies are issued covering both Classification Codes 7317F and 7309F, no division of payroll shall be permitted in connection with the loading or unloading of any one vessel.

ITEM B-1431—REVISIONS TO BASIC MANUAL CLASSIFICATIONS AND APPENDIX  
E—CLASSIFICATIONS BY HAZARD GROUP

---

EXHIBIT 6J—NATIONAL CLASSIFICATIONS  
BASIC MANUAL—2001 EDITION  
FACT SHEET 6—CLASSIFICATIONS TO BE REFORMATTED  
PART TWO—CLASSIFICATIONS

(APPLIES IN: AK, AL, AR, AZ, CO, CT, DC, FL, GA, HI, IA, ID, IL, IN, KS, KY, LA, MD, ME, MO,  
MS, MT, NC, NE, NH, NM, NV, OK, RI, SC, SD, TN, UT, VT, WV)

7317F STEVEDORING—BY HAND OR HAND TRUCKS EXCLUSIVELY

Includes the incidental use of power driven escalators or conveyors, or operation of tractors and trailers through side ports. No use of hoisting equipment. Code 7317F must not be assigned to the same employer in connection with a single vessel unless the operations described by this classification are conducted as a separate and distinct business.

ITEM B-1431—REVISIONS TO BASIC MANUAL CLASSIFICATIONS AND APPENDIX  
E—CLASSIFICATIONS BY HAZARD GROUP

---

EXHIBIT 6K—NATIONAL CLASSIFICATIONS  
BASIC MANUAL—2001 EDITION  
FACT SHEET 6—CLASSIFICATIONS TO BE REFORMATTED  
PART TWO—CLASSIFICATIONS

(APPLIES IN: AK, AL, AR, CO, CT, DC, FL, GA, HI, IA, ID, IL, IN, KS, KY, LA, MD, ME, MO, MS,  
MT, NC, NE, NH, NM, NV, OK, OR, RI, SC, SD, TN, UT, VT, WV)

7327F STEVEDORING—CONTAINERIZED FREIGHT & DRIVERS

Applies to ships designed for freight carrying containers. No work in holds. Over-the-road trucking operations to be separately rated to the appropriate trucking classification. Code 7327F must not be assigned to the same employer in connection with a single vessel unless the operations described by this classification are conducted as a separate and distinct business.

ITEM B-1431—REVISIONS TO BASIC MANUAL CLASSIFICATIONS AND APPENDIX  
E—CLASSIFICATIONS BY HAZARD GROUP

---

EXHIBIT 6L—NATIONAL CLASSIFICATIONS  
BASIC MANUAL—2001 EDITION  
FACT SHEET 6—CLASSIFICATIONS TO BE REFORMATTED  
PART TWO—CLASSIFICATIONS

(APPLIES IN: AK, AL, AR, AZ, CO, CT, DC, FL, GA, HI, IA, ID, IL, IN, KS, KY, LA, MD, ME, MO,  
MS, MT, NC, NE, NH, NM, NV, OK, OR, RI, SC, SD, TN, UT, VT, WV)

8709F STEVEDORING—TALLIERS AND CHECKING CLERKS ENGAGED IN CONNECTION WITH  
STEVEDORE WORK—COVERAGE UNDER U.S. ACT

ITEM B-1431—REVISIONS TO BASIC MANUAL CLASSIFICATIONS AND APPENDIX  
E—CLASSIFICATIONS BY HAZARD GROUP

---

EXHIBIT 6M—NATIONAL CLASSIFICATIONS  
BASIC MANUAL—2001 EDITION  
FACT SHEET 6—CLASSIFICATIONS TO BE REFORMATTED  
PART TWO—CLASSIFICATIONS

(APPLIES IN: AK, AL, AR, AZ, CO, CT, FL, GA, HI, IA, ID, IL, IN, KS, KY, LA, MD, ME, MO, MS,  
MT, NC, NE, NH, NM, NV, OK, OR, RI, SC, SD, TN, UT, VT, WV)

8719 STEVEDORING—TALLIERS AND CHECKING CLERKS ENGAGED IN CONNECTION WITH  
STEVEDORE WORK—COVERAGE UNDER STATE ACT ONLY



ITEM B-1431—REVISIONS TO BASIC MANUAL CLASSIFICATIONS AND APPENDIX  
E—CLASSIFICATIONS BY HAZARD GROUP

---

EXHIBIT 6N—NATIONAL CLASSIFICATIONS  
BASIC MANUAL—2001 EDITION  
FACT SHEET 6—CLASSIFICATIONS TO BE REFORMATTED  
PART TWO—CLASSIFICATIONS

(APPLIES IN: AK, AL, AR, AZ, CO, CT, DC, FL, GA, HI, IA, ID, IL, IN, KS, KY, LA, MD, ME, MO,  
MS, MT, NC, NE, NH, NM, NV, OK, OR, RI, SC, SD, TN, UT, VT, WV)

7309F STEVEDORING—NOC

When policies are issued covering both Classification Codes 7317F and 7309F, no division of payroll is permitted in connection with the loading or unloading of any one vessel.

ITEM B-1431—REVISIONS TO BASIC MANUAL CLASSIFICATIONS AND APPENDIX  
E—CLASSIFICATIONS BY HAZARD GROUP

---

EXHIBIT 60—NATIONAL CLASSIFICATIONS  
BASIC MANUAL—2001 EDITION  
FACT SHEET 6—CLASSIFICATIONS TO BE REFORMATTED  
PART TWO—CLASSIFICATIONS

(APPLIES IN: AK, AL, AR, AZ, CO, CT, FL, GA, HI, IA, ID, IL, IN, KS, KY, LA, MD, ME, MO, MS,  
MT, NC, NE, NH, NM, NV, OK, RI, SC, SD, TN, UT, VT, WV)

**7350F** FREIGHT HANDLING—PACKING, HANDLING, OR SHIPPING EXPLOSIVES OR  
AMMUNITION—UNDER CONTRACT—COVERAGE UNDER U.S. ACT

Code 7350F and Code 7360 include freight checkers. Stevedoring of explosives or ammunition to be separately rated to the appropriate stevedoring classification. Drivers to be separately rated to the appropriate trucking classification.

**7350F** FREIGHT HANDLING NOC—COVERAGE UNDER U.S. ACT

Code 7350F and Code 7360 include freight checkers. Stevedoring to be separately rated. Drivers to be separately rated to the appropriate trucking classification.

ITEM B-1431—REVISIONS TO BASIC MANUAL CLASSIFICATIONS AND APPENDIX  
E—CLASSIFICATIONS BY HAZARD GROUP

---

EXHIBIT 6P—NATIONAL CLASSIFICATIONS  
BASIC MANUAL—2001 EDITION  
FACT SHEET 6—CLASSIFICATIONS TO BE REFORMATTED  
PART TWO—CLASSIFICATIONS

(APPLIES IN: AK, AL, AR, AZ, CO, CT, DC, FL, GA, HI, IA, ID, IL, IN, KS, KY, LA, MD, ME, MO,  
MS, MT, NC, NE, NH, NM, NV, OK, RI, SC, SD, TN, UT, VT, WV)

- 7360 FREIGHT HANDLING—PACKING, HANDLING, OR SHIPPING EXPLOSIVES OR  
AMMUNITION—UNDER CONTRACT—COVERAGE UNDER STATE ACT ONLY  
Code 7350F and Code 7360 include freight checkers. Stevedoring of explosives or ammunition  
to be separately rated to the appropriate stevedoring classification. Drivers to be separately  
rated to the appropriate trucking classification.
- 7360 FREIGHT HANDLING NOC—COVERAGE UNDER STATE ACT ONLY  
Code 7350F and Code 7360 include freight checkers. Stevedoring to be separately rated. Drivers  
to be separately rated to the appropriate trucking classification.

ITEM B-1431—REVISIONS TO BASIC MANUAL CLASSIFICATIONS AND APPENDIX  
E—CLASSIFICATIONS BY HAZARD GROUP

EXHIBIT 7

BASIC MANUAL—2001 EDITION

APPENDIX E

CLASSIFICATIONS BY HAZARD GROUP

(APPLIES IN: AK, AL, AR, AZ, CO, CT, DC, FL, GA, HI, IA, ID, IL, IN, KS, KY, LA, MD, ME, MO, MS, MT, NC, NE, NH, NM, NV, OK, OR, RI, SC, SD, TN, TX, UT, VA, VT, WV)

TABLE OF CLASSIFICATIONS BY HAZARD GROUP

Class Code	Applies in: <sup>±</sup>	Discontinued in: <sup>±</sup>	Hazard Group A–G
0169	OR  3/1/09: NV	<u>12/1/16: UT</u>  <u>1/1/17: NM</u>	C
0400	AZ, TN	<u>10/1/16: KY</u>  <u>11/1/16: DC, WV</u>  <u>12/1/16: UT</u>  <u>1/1/17: AK, CO, CT, FL, HI, IA, ID, IL, IN, KS, MD, MO, NH, NM, OK, OR</u>  <u>2/1/17: NE</u>  <u>3/1/17: AL, GA, MS, NV</u>  <u>4/1/17: ME, NC, VA, VT</u>  <u>5/1/17: LA</u>  <u>7/1/17: AR, MT, SD</u>  <u>8/1/17: RI</u>  <u>9/1/17: SC</u>	D
1219		<u>1/1/17: NM</u>	G
1472	AK, AZ, AR, CO, CT, DC, FL, HI, IA, ID, IL, IN, KS, KY, ME, MD, MS, MO, MT, NC, NE, NV, NH, NM, OK, OR, RI, SC, SD, TN, UT, VT, VA  10/1/07: WV  3/1/17: AL, GA  5/1/17: LA		F

ITEM B-1431—REVISIONS TO BASIC MANUAL CLASSIFICATIONS AND APPENDIX  
E—CLASSIFICATIONS BY HAZARD GROUP

EXHIBIT 7 (CONT'D)

Class Code	Applies in:‡	Discontinued in:‡	Hazard Group A–G
1474		4/1/16: NC <u>3/1/17: AL, GA</u> <u>5/1/17: LA</u>	E
1605		<u>1/1/17: ID, OK</u> <u>4/1/17: VA</u>	E
1745	VT	<u>1/1/10: NH</u> <u>4/1/17: VA</u> <u>7/1/17: AR</u>	E
1852	<u>OK, SC, VA</u>	<u>10/1/16: KY</u> <u>11/1/16: DC, WV</u> <u>12/1/16: UT</u> <u>1/1/17: AK, AZ, CO, CT, FL, HI, IA, ID, IL, IN, KS, MD, MO, NH, NM, OR</u> <u>2/1/17: NE</u> <u>3/1/17: AL, GA, MS, NV, TN</u> <u>4/1/17: ME, NC, VT</u> <u>5/1/17: LA</u> <u>7/1/17: AR, MT, SD</u> <u>8/1/17: RI</u>	G
2101	AK	<u>3/1/17: AL</u> <u>4/1/17: VA</u>	B
2113		<u>4/1/17: ME</u>	E
2260	<u>6/1/14: TX</u>	<u>4/1/17: VA</u> <u>8/1/17: RI</u> <u>9/1/17: SC</u>	E

ITEM B-1431—REVISIONS TO BASIC MANUAL CLASSIFICATIONS AND APPENDIX  
E—CLASSIFICATIONS BY HAZARD GROUP

EXHIBIT 7 (CONT'D)

Class Code	Applies in: <sup>±</sup>	Discontinued in: <sup>±</sup>	Hazard Group A–G
2300		<u>10/1/16: KY</u> <u>11/1/16: DC, WV</u> <u>12/1/16: UT</u> <u>1/1/17: AK, AZ, CO, CT, FL, HI, IA, ID, IL, IN, KS, MD, MO, NH, NM, OK, OR</u> <u>2/1/17: NE</u> <u>3/1/17: AL, GA, MS, NV, TN</u> <u>4/1/17: ME, NC, VA, VT</u> <u>5/1/17: LA</u> <u>7/1/17: AR, MT, SD</u> <u>8/1/17: RI</u> <u>9/1/17: SC</u>	A
2386	<u>CT, NC, RI</u>	<u>10/1/16: KY</u> <u>11/1/16: DC, WV</u> <u>12/1/16: UT</u> <u>1/1/17: AK, AZ, CO, FL, HI, IA, ID, IL, IN, KS, MD, MO, NH, NM, OK, OR</u> <u>2/1/17: NE</u> <u>3/1/17: AL, GA, MS, NV, TN</u> <u>4/1/17: ME, VA, VT</u> <u>5/1/17: LA</u> <u>7/1/17: AR, MT, SD</u> <u>9/1/17: SC</u>	B
2560	CT	<u>4/1/17: VA</u> <u>7/1/17: TX</u>	A
2576		<u>7/1/17: TX</u>	C
2705	GA, LA, MS, NC, TN	<u>7/1/17: TX</u>	E

ITEM B-1431—REVISIONS TO BASIC MANUAL CLASSIFICATIONS AND APPENDIX  
E—CLASSIFICATIONS BY HAZARD GROUP

EXHIBIT 7 (CONT'D)

Class Code	Applies in:±	Discontinued in:±	Hazard Group A–G
2747		<u>10/1/16: KY</u> <u>1/1/17: MO</u>	A
2791	MO	<u>4/1/16: NC</u> <u>1/1/17: MD, OK</u> <u>4/1/17: VA, VT</u>	A
2804		<u>1/1/17: OK</u> <u>3/1/17: AL, MS</u>	B
2913	NC, TN	<u>10/1/16: KY</u> <u>11/1/16: DC, WV</u> <u>12/1/16: UT</u> <u>1/1/17: AK, AZ, CO, CT, FL, HI, ID, IA, IL, IN, KS, MD, MO, NH, NM, OK, OR</u> <u>2/1/17: NE</u> <u>3/1/17: AL, GA, MS, NV</u> <u>4/1/17: ME, VA, VT</u> <u>5/1/17: LA</u> <u>7/1/17: AR, MT, SD</u> <u>8/1/17: RI</u> <u>9/1/17: SC</u>	A
2942	GA, IL	<u>10/1/16: KY</u> <u>11/1/16: DC, WV</u> <u>12/1/16: UT</u> <u>1/1/17: AK, AZ, CO, CT, FL, HI, IA, ID, IN, KS, MD, MO, NH, NM, OK, OR</u> <u>2/1/17: NE</u> <u>3/1/17: AL, MS, NV, TN</u> <u>4/1/17: ME, NC, VA, VT</u>	A

ITEM B-1431—REVISIONS TO BASIC MANUAL CLASSIFICATIONS AND APPENDIX  
E—CLASSIFICATIONS BY HAZARD GROUP

EXHIBIT 7 (CONT'D)

Class Code	Applies in: <sup>±</sup>	Discontinued in: <sup>±</sup>	Hazard Group A–G
		<u>5/1/17: LA</u> <u>7/1/17: AR, MT, SD</u> <u>8/1/17: RI</u> <u>9/1/17: SC</u>	
3117		<u>3/1/17: AL</u> <u>4/1/17: VA</u>	A
3120		<u>1/1/17: CT</u> <u>3/1/17: AL</u>	A
3168		<u>1/1/17: OR</u>	C
3516	SC	<u>4/1/16: NC</u> <u>4/1/17: VA</u> <u>8/1/17: RI</u>	B
3561		<u>1/1/17: IL</u> <u>8/1/17: RI</u>	B
3571	OK	<u>1/1/17: IL</u>	B
3582		<u>4/1/17: VT</u>	B
3639	TN	<u>1/1/17: AZ, CO, IL</u> <u>3/1/17: MS</u>	G
4063		<u>1/1/17: NM</u>	B
4301		<u>4/1/16: NC</u> <u>1/1/17: IL</u> <u>8/1/17: RI</u>	B



ITEM B-1431—REVISIONS TO BASIC MANUAL CLASSIFICATIONS AND APPENDIX  
E—CLASSIFICATIONS BY HAZARD GROUP

EXHIBIT 7 (CONT'D)

Class Code	Applies in: <sup>±</sup>	Discontinued in: <sup>±</sup>	Hazard Group A–G
4304	AL, AK, AZ, AR, CO, CT, DC, FL, GA, HI, IA, ID, IL, IN, KS, KY, LA, ME, MD, MS, MO, MT, NE, NV, NH, NM, NC, OR, RI, SC, SD, TN, UT, VT, VA  10/1/07: WV 6/1/14: TX 1/1/17: OK		D
4311		1/1/17: OK	D
4417		1/1/10: NH 4/1/16: NC 1/1/17: MD 4/1/17: ME	B
4432	AL, AK, AZ, AR, CO, CT, DC, FL, GA, HI, IA, ID, IL, IN, KS, KY, LA, ME, MD, MS, MO, MT, NE, NV, NH, NM, NC, OK, RI, SC, SD, TN, UT, VT, VA  10/1/07: WV 1/1/17: OR		B
4565		11/1/16: WV 1/1/17: OK 5/1/17: LA	E
4582		4/1/17: VA	E
4585		10/1/16: KY 1/1/17: KS 3/1/17: MS	D
4586	KS	1/1/17: FL, OK 3/1/17: MS	F

ITEM B-1431—REVISIONS TO BASIC MANUAL CLASSIFICATIONS AND APPENDIX  
E—CLASSIFICATIONS BY HAZARD GROUP

EXHIBIT 7 (CONT'D)

Class Code	Applies in: <sup>±</sup>	Discontinued in: <sup>±</sup>	Hazard Group A–G
4683	National, IN, NC  10/1/07: WV  7/1/17: TX		C
4716	IN	1/1/17: IL, MO	B
4716		7/1/17: TX	C
4730		1/1/17: IL	E
4750	LA	1/1/17: IL	E
4761	CO	1/1/17: OK  3/1/17: TN	G
4770		3/1/17: GA	G
4775		3/1/17: GA	G
4779		3/1/17: GA	G
4940	IL	1/1/17: MO, OK	E
5507	AL, AZ, AR, CO, CT, DC, FL, GA, HI, IA, ID, IL, IN, KS, KY, LA, ME, MD, MS, MT, NE, NV, NH, NM, NC, OK, OR, RI, SC, SD, TN, VT, VA  10/1/07: WV  1/1/17: MO		F
5508	AL, AZ, AR, CO, CT, DC, FL, GA, HI, IA, ID, IL, IN, KS, KY, LA, ME, MD, MS, MT, NE, NV, NH, NM, NC, OK, OR, RI, SC, SD, TN, VT, VA  10/1/07: WV  1/1/17: MO		E
5515		1/1/17: MO	D

ITEM B-1431—REVISIONS TO BASIC MANUAL CLASSIFICATIONS AND APPENDIX  
E—CLASSIFICATIONS BY HAZARD GROUP

EXHIBIT 7 (CONT'D)

Class Code	Applies in:±	Discontinued in:±	Hazard Group A-G
6260		<u>10/1/16: KY</u> <u>11/1/16: DC, WV</u> <u>12/1/16: UT</u> <u>1/1/17: AK, AZ, CO, CT, FL, HI, IA, ID, IL, IN, KS, MD, MO, NH, NM, OK, OR</u> <u>2/1/17: NE</u> <u>3/1/17: AL, GA, MS, NV, TN</u> <u>4/1/17: ME, NC, VA, VT</u> <u>5/1/17: LA</u> <u>7/1/17: AR, MT, SD</u> <u>8/1/17: RI</u> <u>9/1/17: SC</u>	G
6365		<u>7/1/17: MT</u>	E
6827		<u>3/1/17: MS</u>	G
6837		<u>3/1/17: MS</u>	G
7223		<u>5/1/17: LA</u>	E
7500	GA, TN	<u>3/1/17: AL</u>	E
7570		<u>1/1/17: OK</u> <u>3/1/17: AL</u>	E
7724		<u>3/1/17: NV</u> <u>4/1/17: VA</u>	G
8103	National, IN, NC <u>10/1/07: WV</u> <u>7/1/17: TX</u>		D

ITEM B-1431—REVISIONS TO BASIC MANUAL CLASSIFICATIONS AND APPENDIX  
E—CLASSIFICATIONS BY HAZARD GROUP

EXHIBIT 7 (CONT'D)

Class Code	Applies in: <sup>±</sup>	Discontinued in: <sup>±</sup>	Hazard Group A–G
8105	<u>IL, MT</u>	<u>10/1/16: KY</u> <u>11/1/16: DC, WV</u> <u>12/1/16: UT</u> <u>1/1/17: AK, AZ, CO, CT, FL, HI, IA, ID, IN, KS, MD, MO, NH, NM, OK, OR</u> <u>2/1/17: NE</u> <u>3/1/17: AL, GA, MS, NV, TN</u> <u>4/1/17: ME, NC, VA, VT</u> <u>5/1/17: LA</u> <u>7/1/17: AR, SD</u> <u>8/1/17: RI</u> <u>9/1/17: SC</u>	B
8295		<u>3/1/17: AL, GA, MS, TN</u> <u>5/1/17: LA</u> <u>7/1/17: AR</u>	C
8295		<u>7/1/17: TX</u>	D
8399	<u>AL</u>	<u>1/1/17: CT</u>	C
9023		<u>4/1/17: VA</u>	B
9080		<u>1/1/17: OK</u> <u>4/1/17: VA</u> <u>5/1/17: LA</u>	B
9451		<u>1/1/17: OR</u>	E
9470		<u>1/1/17: OR</u>	E
9496		<u>2/1/11: OR</u>	B
9499		<u>2/1/11: OR</u>	F
9529		<u>1/1/17: AZ</u>	G

ITEM B-1431—REVISIONS TO BASIC MANUAL CLASSIFICATIONS AND APPENDIX  
E—CLASSIFICATIONS BY HAZARD GROUP

EXHIBIT 7 (CONT'D)

Class Code	Applies in:±	Discontinued in:±	Hazard Group A–G
9530		<u>5/1/17: LA</u>	G
9534	AL, AK, AZ, AR, CO, CT, DC, FL, GA, HI, IA, ID, IL, IN, KS, KY, ME, MD, MS, MO, MT, NE, NV, NH, NM, NC, OK, OR, RI, SC, SD, TN, UT, VT, VA  10/1/07: WV  <u>5/1/17: LA</u>		F

± Upon approval of this item, each state will have its state-specific effective date indicated.

ITEM B-1431—REVISIONS TO BASIC MANUAL CLASSIFICATIONS AND APPENDIX  
E—CLASSIFICATIONS BY HAZARD GROUP

---

EXHIBIT 8  
BASIC MANUAL—2001 EDITION  
FACT SHEET 1—NATIONAL CLASSIFICATIONS WITH LOW CREDIBILITY TO BE ELIMINATED  
SPECIAL CLASSIFICATIONS  
(APPLIES IN: NC)

- 2386      LACE MFG.
- 2913      RATTAN, WILLOW, OR TWISTED FIBER PRODUCTS MFG.  
Includes upholstering.
- 2913      WILLOWWARE MFG.