

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

NOTICE OF PROPOSED ACTION AND NOTICE OF PUBLIC HEARING

**SEPTEMBER 1, 2024 WORKERS' COMPENSATION INSURANCE RATING
RULES FILING**

March 22, 2024

File No. REG-2024-00004

SUBJECT OF PROPOSED RULEMAKING

Notice is given that a public hearing will be held in response to a filing by the Workers' Compensation Insurance Rating Bureau of California ("WCIRB"), submitted on February 27, 2024. The WCIRB proposes amendments to the Insurance Commissioner's Regulations pertaining to the Classification of Risks, Recording and Reporting of Data, Statistical Reporting and Experience Rating to be effective September 1, 2024, as follows:

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

HEARING

Public Hearing Date and Location

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

April 25, 2024 – 10:00 A.M.
California Department of Insurance

TO ATTEND VIRTUAL HEARING VIA ONLINE PLATFORM

Link to Register for the Web-based Virtual Format:

https://us06web.zoom.us/webinar/register/WN_1HPqwg1hRHK6TxS5lYpMw

Meeting Name: September 1, 2024 Workers' Compensation Insurance Rating
Rules Filing

TO ATTEND VIRTUAL HEARING BY TELEPHONE

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

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

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

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

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

Access to Virtual Public Hearing

This hearing will be open to the public. To make it possible to view and participate in the public hearing online, you must register with the web-based virtual conferencing application identified above, using a valid e-mail address. We request that you provide your name(s), the name of the organization you represent, and your contact information, including email address. Providing personally identifiable information is not required to attend the hearing and all attendees are invited to participate regardless of whether such information has been provided. Alternatively, you may attend and participate telephonically. We request that if you wish to provide oral comments telephonically, that you e-mail us either in advance of or at the time of the hearing and provide the telephone number you will use at the hearing.

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

WRITTEN COMMENT PERIOD

Presentation of Written or Oral Comments; Contact Persons

All persons are invited to submit written comments on the proposed regulations during the public comment period. The public comment period will end at **5:00 p.m. on Thursday, April 25, 2024**. Please direct all written comments to the following contact person:

Margaret Hosel, Attorney
California Department of Insurance
1901 Harrison St., 6th Floor
Oakland, CA 94612
Telephone: (415) 538-4383
Margaret.Hosel@insurance.ca.gov

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

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

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

Deadline for Written Comments

All written materials must be received by the Insurance Commissioner, addressed to the contact person at the address listed above, no later than **5:00 p.m. on Thursday, April 25, 2024**. Any written materials received after that time may not be considered.

Comments Transmitted by E-Mail or Facsimile

The Commissioner will accept written comments transmitted by e-mail provided they are sent to the following e-mail address: Margaret.Hosel@insurance.ca.gov. The Commissioner will also accept written comments transmitted by facsimile provided they are directed to the attention of Margaret Hosel and sent to the following facsimile number: (415) 904-5490. **Comments sent to e-mail addresses or**

facsimile numbers other than those designated in this notice will not be accepted. Comments sent by e-mail or facsimile are subject to the deadline set forth above for written comments.

PROCEEDINGS NOT SUBJECT TO ADMINISTRATIVE PROCEDURE ACT

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

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

AUTHORITY AND REFERENCE

Uniform Plans and Regulations

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

INFORMATIVE DIGEST

Pursuant to Insurance Code Sections 11734 and 11751.5, the Insurance Commissioner has designated the WCIRB as his statistical agent. As the designated statistical agent, the WCIRB collects insurer data and recommends revisions to the *California Workers' Compensation Uniform Statistical Reporting Plan—1995*; the *Miscellaneous Regulations for the Recording and Reporting of Data—1995*; and the *California Workers' Compensation Experience Rating Plan—1995* for approval. Adherence to the regulations contained in the *California Workers' Compensation Uniform Statistical Reporting Plan—1995*, the *Miscellaneous Regulations for the Recording and Reporting of Data—1995*, and the *California Workers' Compensation Experience Rating Plan—1995* is mandatory for insurers. However, Insurance Code Section 11734 provides that an insurer may develop its own classification system if it is filed with the Insurance Commissioner 30 days prior to its use and is

not disapproved by the Insurance Commissioner for failure to demonstrate that the data produced by the insurer's classification system can be reported consistently with the *California Workers' Compensation Uniform Statistical Reporting Plan—1995* or the standard classification system developed by the WCIRB and approved by the Insurance Commissioner.

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

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

1. Amend Part 1, *General Provisions*, Section I, *Introduction*, Rule 3, *Effective Date*, to show that the effective date of the amended Uniform Statistical Reporting Plan is 12:01 AM, September 1, 2024.
2. Amend Part 3, *Standard Classification System*, Section IV, *Special Industry Classification Procedures*, Rule 5, *Stores*, Subrule e, for consistency with other proposed changes.
3. Amend Part 3, Section V, *Payroll – Remuneration*, Rule 1, *Payroll – Remuneration*, Subrule j, *Executive Officers*, Subrule k, *Partners*, Subrule l, *Individual Employers*, and Subrule m, *Members of a Limited Liability Company*, to adjust the minimum and maximum payroll limitations for executive officers, partners, individual employers and members of a limited liability company to reflect wage inflation since the minimum and maximum payroll limitations were last amended in 2023.
4. Amend Part 3, Section VII, *Standard Classifications*, Rule 1, *Classification Section*, subrule a, *Industry Groups*, for consistency with other industry group naming conventions.
5. Amend Part 3, Section VII, *Standard Classifications*, Rule 2, *Standard Classifications*, as follows:
 - Amend the cross-reference to Classification 3066(3), *Aluminum Ware Mfg.*, for consistency with other industry group naming conventions and previously approved changes.
 - Amend Classification 9181, *Athletic Teams or Athletic Facilities – players, umpires, referees and game officials*, to increase the annual payroll limitation for players from \$154,700 to \$159,900 per player per season to reflect wage inflation since the payroll limitation was last amended in 2023.

- Amend Classification 7607(2), *Audio Post-Production*, to increase the annual payroll limitation from \$154,700 to \$159,900 per employee to reflect wage inflation since the payroll limitation was last amended in 2023.
- Amend Classification 8803, *Auditing, Accounting or Management Consulting Services*, to increase the annual payroll limitation from \$154,700 to \$159,900 per employee to reflect wage inflation since the payroll limitation was last amended in 2023.
- Amend Classifications 5185/5186, *Automatic Sprinkler Installation*, to increase the hourly wage threshold from \$32.00 to \$33.00 per hour to reflect wage inflation since the threshold was last amended in 2022.
- Amend the Automotive Industry Group for consistency with other industry group naming conventions.
- Amend the cross-reference to Classification 8046, *Stores – automobile or truck parts or accessories*, in the Automotive Industry Group, for consistency with previously approved changes.
- Amend Classification 8808, *Banks*, to increase the annual payroll limitation from \$154,700 to \$159,900 per employee to reflect wage inflation since the payroll limitation was last amended in 2023.
- Amend Classification 4512, *Biomedical Research Laboratories*, to limit an employee's annual payroll to \$159,900.
- Amend the cross-reference to Classification 3620(1), *Boiler Mfg.*, for consistency with other industry group naming conventions.
- Amend Classifications 5403/5432, *Carpentry*, to increase the hourly wage threshold from \$39.00 to \$41.00 per hour to reflect wage inflation since the threshold was last amended in 2022.
- Amend Classification 8859(1), *Computer Programming or Software Development*, to increase the annual payroll limitation from \$154,700 to \$159,900 per employee to reflect wage inflation since the payroll limitation was last amended in 2023.
- Amend Classifications 5201(2)/5205(2), *Concrete or Cement Work – pouring or finishing of concrete floor slabs, poured in place and on the ground, and concrete slab-type foundations, for other than concrete buildings or structural steel buildings of multi-story construction*, to increase the hourly wage threshold from \$32.00 to \$33.00 per hour to reflect wage inflation since the threshold was last amended in 2022.

- Amend Classifications 5201(1)/5205(1), *Concrete or Cement Work – pouring or finishing of concrete sidewalks, driveways, patios, curbs or gutters*, to increase the hourly wage threshold from \$32.00 to \$33.00 per hour to reflect wage inflation since the threshold was last amended in 2022.
- Amend the cross-reference to Classification 3066(4), *Coppersmithing*, for consistency with other industry group naming conventions and previously approved changes.
- Amend Classification 8801, *Credit Unions*, to increase the annual payroll limitation from \$154,700 to \$159,900 per employee to reflect wage inflation since the payroll limitation was last amended in 2023.
- Amend Classifications 5190/5140, *Electrical Wiring*, to increase the hourly wage threshold from \$34.00 to \$36.00 per hour to reflect wage inflation since the threshold was last amended in 2022.
- Amend Classification 8874(4), *Audio/Video Electronic Products Mfg. – hardware or software design or development*, which is part of the Electronics Industry Group, to increase the annual payroll limitation from \$154,700 to \$159,900 per employee to reflect wage inflation since the payroll limitation was last amended in 2023.
- Amend Classification 8874(2), *Computer or Computer Peripheral Equipment Mfg. – hardware or software design or development*, which is part of the Electronics Industry Group, to increase the annual payroll limitation from \$154,700 to \$159,900 per employee to reflect wage inflation since the payroll limitation was last amended in 2023.
- Amend Classification 8874(1), *Instrument Mfg. – electronic – professional or scientific – hardware or software design or development*, which is part of the Electronics Industry Group, to increase the annual payroll limitation from \$154,700 to \$159,900 per employee to reflect wage inflation since the payroll limitation was last amended in 2023.
- Amend Classification 8874(5), *Integrated Circuit and Semiconductor Wafer Mfg. – hardware or software design or development*, which is part of the Electronics Industry Group, to increase the annual payroll limitation from \$154,700 to \$159,900 per employee to reflect wage inflation since the payroll limitation was last amended in 2023.
- Amend Classification 3572, *Medical Instrument Mfg.*, which is part of the Electronics Industry Group, to reference the corresponding proposed companion Classification 8874(6), *Medical Instrument Mfg. – electronic – diagnostic or treatment – hardware or software design or development*, clarify its intended application and for consistency with previously approved changes.

- Establish Classification 8874(6), *Medical Instrument Mfg. – electronic – diagnostic or treatment – hardware or software design or development*, as a companion classification in the Electronics Industry Group to (1) apply to hardware or software design or development, clerical office and outside sales operations performed in connection with manufacturing operations assigned to Classification 3572, *Medical Instrument Mfg.*, (2) direct that the maximum payroll amount be prorated based upon the number of weeks in the policy period when the policy is in force for less than a 12-month period and (3) limit an employee's annual payroll to \$159,900.
- Amend Classification 8874(3), *Telecommunications Equipment Mfg. – hardware or software design or development*, which is part of the Electronics Industry Group, to increase the annual payroll limitation from \$154,700 to \$159,900 per employee to reflect wage inflation since the payroll limitation was last amended in 2023.
- Amend Classification 8601(1), *Engineers*, to increase the annual payroll limitation from \$154,700 to \$159,900 per person to reflect wage inflation since the payroll limitation was last amended in 2023.
- Amend Classifications 6218(1)/6220(1), *Excavation*, to increase the hourly wage threshold from \$38.00 to \$40.00 per hour to reflect wage inflation since the threshold was last amended in 2023.
- Amend Classification 8078(2), *Beverage Preparation Shops*, which is part of the Food and Beverage Service Industry Group, to clarify its intended application and provide direction as to how related operations should be classified.
- Amend Classification 9082, *Caterers*, which is part of the Food and Beverage Service Industry Group, to clarify its intended application.
- Amend Classification 8078(3), *Ice Cream or Frozen Yogurt Shops*, which is part of the Food and Beverage Service Industry Group, to clarify its intended application and provide direction as to how related operations should be classified.
- Amend Classification 8078(1), *Sandwich Shops*, which is part of the Food and Beverage Service Industry Group, to clarify its intended application and provide direction as to how related operations should be classified.
- Amend Classification 2063, *Dairy Products or Ice Mfg.*, which is part of the Food Packaging and Processing Industry Group, to clarify its intended application and for consistency with other proposed changes.

- Amend Classification 8601(4), *Forest Engineers*, to increase the annual payroll limitation from \$154,700 to \$159,900 per employee to reflect wage inflation since the payroll limitation was last amended in 2023.
- Amend Classification 3082, *Foundries – steel castings*, for consistency with previously approved changes.
- Amend Classifications 6315(2)/6316(2), *Gas Mains or Connections Construction*, to increase the hourly wage threshold from \$38.00 to \$40.00 per hour to reflect wage inflation since the threshold was last amended in 2023.
- Amend the cross-reference to Classification 8350, *Gasoline or Oil Dealers*, for consistency with other industry group naming conventions.
- Amend the cross-reference to Classification 4740(3), *Gasoline Recovery*, for consistency with other industry group naming conventions and previously approved changes.
- Amend the cross-reference to Classification 8324, *Gasoline Stations*, for consistency with other industry group naming conventions.
- Amend Classifications 5467/5470, *Glaziers*, to increase the hourly wage threshold from \$36.00 to \$39.00 per hour to reflect wage inflation since the threshold was last amended in 2022.
- Amend Classifications 6218(2)/6220(2), *Grading Land*, to increase the hourly wage threshold from \$38.00 to \$40.00 per hour to reflect wage inflation since the threshold was last amended in 2023.
- Amend Classification 8839, *Dental or Orthodontia Practices*, which is part of the Health and Human Services Industry Group, to limit an employee's annual payroll to \$159,900.
- Amend Classification 9043, *Hospitals*, which is part of Health and Human Services Industry Group, to limit an employee's annual payroll to \$159,900.
- Amend Classification 8834, *Physician's Practices and Outpatient Clinics*, which is part of Health and Human Services Industry Group, to limit an employee's annual payroll to \$159,900.
- Amend Classifications 5538(2)/5542(2), *Heating or Air Conditioning Ductwork*, to increase the hourly wage threshold from \$29.00 to \$33.00 per hour to reflect wage inflation since the threshold was last amended in 2022.
- Amend Classifications 5183(3)/5187(3), *Heating or Air Conditioning Equipment*, to increase the hourly wage threshold from \$31.00 to \$32.00

per hour to reflect wage inflation since the threshold was last amended in 2022.

- Amend Classification 3682, *Instrument Mfg. – non-electronic*, to reference the corresponding proposed companion Classification 8874(7), *Instrument Mfg. – non-electronic – scientific or medical – hardware or software design or development*.
- Establish Classification 8874(7), *Instrument Mfg. – non-electronic – scientific or medical – hardware or software design or development*, as a companion classification to (1) apply to hardware or software design or development, clerical office and outside sales operations performed in connection with manufacturing operations assigned to Classification 3682, *Instrument Mfg. – non-electronic – scientific or medical*, (2) direct that the maximum payroll amount be prorated based upon the number of weeks in the policy period when the policy is in force for less than a 12-month period and (3) limit an employee’s annual payroll to \$159,900.
- Amend Classification 8822, *Insurance Companies*, to increase the annual payroll limitation from \$154,700 to \$159,900 per employee to reflect wage inflation since the payroll limitation was last amended in 2023.
- Amend Classification 8859(2), *Internet or Web-Based Application Development or Operation*, to increase the annual payroll limitation from \$154,700 to \$159,900 per employee to reflect wage inflation since the payroll limitation was last amended in 2023.
- Amend the cross-reference to Classification 3040, *Iron or Steel Works – non-structural*, for consistency with other industry group naming conventions.
- Amend the cross-reference to Classification 3030, *Iron or Steel Works – structural*, for consistency with other industry group naming conventions.
- Amend Classifications 6218(3)/6220(3), *Land Leveling*, to increase the hourly wage threshold from \$38.00 to \$40.00 per hour to reflect wage inflation since the threshold was last amended in 2023.
- Amend Classification 8820, *Law Firms*, to increase the annual payroll limitation from \$154,700 to \$159,900 per employee to reflect wage inflation since the payroll limitation was last amended in 2023.
- Amend the cross-reference to Classification 3647(2), *Lead, Reclaiming or Alloying*, for consistency with other industry group naming conventions and previously approved changes.

- Amend Classifications 5027/5028, *Masonry*, to increase the hourly wage threshold from \$32.00 to \$35.00 per hour to reflect wage inflation since the threshold was last amended in 2022.
- Amend the cross-reference to Classification 3400, *Metal Goods Mfg.*, for consistency with other industry group naming conventions.
- Amend the Metal Working Classifications Industry Group for consistency with other industry group naming conventions.
- Amend Classification 8749, *Mortgage Bankers*, to increase the annual payroll limitation from \$154,700 to \$159,900 per employee to reflect wage inflation since the payroll limitation was last amended in 2023.
- Amend Classification 8743, *Mortgage Brokers*, to increase the annual payroll limitation from \$154,700 to \$159,900 per employee to reflect wage inflation since the payroll limitation was last amended in 2023.
- Amend Classification 9610, *Motion Pictures – production*, to increase the annual payroll limitation for actors, musicians, producers and the motion picture director from \$154,700 to \$159,900 per person to reflect wage inflation since the payroll limitation was last amended in 2023.
- Amend Classification 2923, *Musical Instrument Mfg.*, for consistency with other industry group naming conventions.
- Amend the cross-reference to Classification 8601(2), *Oil or Gas Geologists or Scouts*, for consistency with other industry group naming conventions and previously approved changes.
- Amend the cross-reference to Classification 1320, *Oil or Gas Lease Operators*, for consistency with other industry group naming conventions and previously approved changes.
- Amend the cross-reference to Classification 6216, *Oil or Gas Lease Work*, for consistency with other industry group naming conventions and previously approved changes.
- Amend the cross-reference to Classification 6233, *Oil or Gas Pipeline Construction*, for consistency with other industry group naming conventions and previously approved changes.
- Amend the cross-reference to Classification 7515, *Oil or Gas Pipeline Operation*, for consistency with other industry group naming conventions.
- Amend the cross-reference to Classification 3719, *Oil or Gas Refineries*, for consistency with other industry group naming conventions.

- Amend the cross-reference to Classification 1322, *Oil or Gas Well Servicing*, for consistency with other industry group naming conventions and previously approved changes.
- Eliminate the cross-reference to *Oil or Gas Well Supplies or Equipment Dealers*, for consistency with previously approved changes.
- Amend the cross-reference to Classification 6206(2), *Oil or Gas Wells – acidizing or hydraulic fracturing*, for consistency with other industry group naming conventions.
- Amend the cross-reference to Classification 6206(1), *Oil or Gas Wells – cementing*, for consistency with other industry group naming conventions.
- Amend the cross-reference to Classification 6235(1), *Oil or Gas Wells – drilling or redrilling*, for consistency with other industry group naming conventions and previously approved changes.
- Amend the cross-reference to Classification 6206(4), *Oil or Gas Wells – gravel packing*, for consistency with other industry group naming conventions.
- Amend the cross-reference to Classification 6235(2), *Oil or Gas Wells – installation or recovery of casing*, for consistency with other industry group naming conventions.
- Amend the cross-reference to Classification 6237(2), *Oil or Gas Wells – perforating of casing*, for consistency with other industry group naming conventions and previously approved changes.
- Amend the cross-reference to Classification 6213, *Oil or Gas Wells – specialty tool companies*, for consistency with other industry group naming conventions and previously approved changes.
- Amend the cross-reference to Classification 6206(3), *Oil or Gas Wells – vacuum truck service companies*, for consistency with other industry group naming conventions and previously approved changes.
- Amend the cross-reference to Classification 6237(1), *Oil or Gas Wells – wireline service companies*, for consistency with other industry group naming conventions and previously approved changes.
- Amend the cross-reference to Classification 4740(1), *Oil Refining*, for consistency with other industry group naming conventions and previously approved changes.

- Amend the cross-reference to Classification 9501(3), *Painting – automobile or truck bodies*, for consistency with other industry group naming conventions and previously approved changes.
- Amend Classifications 5474(1)/5482(1), *Painting or Wallpaper Installation*, to increase the hourly wage threshold from \$31.00 to \$32.00 per hour to reflect wage inflation since the threshold was last amended in 2022.
- Amend Classifications 5474(3)/5482(3), *Painting – water, oil or gasoline storage tanks*, to increase the hourly wage threshold from \$31.00 to \$32.00 per hour to reflect wage inflation since the threshold was last amended in 2022.
- Amend the Petroleum Industry Group for consistency with other industry group naming conventions.
- Amend Classification 8601(2), *Oil or Gas Geologists or Scouts*, which is part of the Petroleum Industry Group, to increase the annual payroll limitation from \$154,700 to \$159,900 per employee to reflect wage inflation since the payroll limitation was last amended in 2023.
- Amend the cross-reference to Classification 3022, *Pipe, Tube or Extrusion Mfg.*, for consistency with other industry group naming conventions.
- Amend Classifications 5484/5485, *Plastering or Stucco Work*, to increase the hourly wage threshold from \$36.00 to \$38.00 per hour to reflect wage inflation since the threshold was last amended in 2022.
- Amend the cross-reference to Classification 3620(2), *Plate Steel Products Fabrication*, for consistency with other industry group naming conventions.
- Amend Classifications 5183(1)/5187(1), *Plumbing*, to increase the hourly wage threshold from \$31.00 to \$32.00 per hour to reflect wage inflation since the threshold was last amended in 2022.
- Amend Classification 4297(1), *Electronic Pre-Press*, which is part of the Printing, Publishing and Duplicating Industry Group, to limit an employee's annual payroll to \$159,900.
- Amend Classification 4297(2), *Graphic Design*, which is part of the Printing, Publishing and Duplicating Industry Group, to limit an employee's annual payroll to \$159,900.
- Amend Classification 8807, *Newspaper, Magazine or Book Publishing*, which is part of the Printing, Publishing and Duplicating Industry Group, to limit an employee's annual payroll to \$159,900.

- Amend Classification 8741, *Real Estate Agencies*, which is part of the Property Management/Operation Industry Group, to increase an employee's annual payroll limitation from \$154,700 to \$159,900 per person to reflect wage inflation since the payroll limitation was last amended in 2023.
- Amend Classification 7610, *Radio, Television or Commercial Broadcasting Stations*, to increase the annual payroll limitation for on-air personalities, entertainers and musicians from \$154,700 to \$159,900 per person to reflect wage inflation since the payroll limitation was last amended in 2023.
- Amend the cross-reference to Classification 2797(3), *Recreational Vehicle Mfg.*, for consistency with other industry group naming conventions.
- Amend Classifications 5183(2)/5187(2), *Refrigeration Equipment*, to increase the hourly wage threshold from \$31.00 to \$32.00 per hour to reflect wage inflation since the threshold was last amended in 2022.
- Amend the cross-reference to Classification 3039, *Reinforcing Steel Fabrication*, for consistency with other industry group naming conventions.
- Amend Classifications 5552/5553, *Roofing*, to increase the hourly wage threshold from \$29.00 to \$31.00 per hour to reflect wage inflation since the threshold was last amended in 2022.
- Amend the cross-reference to Classification 8388, *Rubber Tire Dealers*, for consistency with other industry group naming conventions and previously approved changes.
- Amend Classifications 6307/6308, *Sewer Construction*, to increase the hourly wage threshold from \$38.00 to \$40.00 per hour to reflect wage inflation since the threshold was last amended in 2023.
- Amend the cross-reference to Classification 3066(1), *Sheet Metal Products Mfg.*, for consistency with other industry group naming conventions.
- Amend Classifications 5538(1)/5542(1), *Sheet Metal Work*, to increase the hourly wage threshold from \$29.00 to \$33.00 per hour to reflect wage inflation since the threshold was last amended in 2022.
- Amend the Sign Industry Group for consistency with other industry group naming conventions.
- Amend Classifications 5632/5633, *Steel Framing*, to increase the hourly wage threshold from \$39.00 to \$41.00 per hour to reflect wage inflation since the threshold was last amended in 2022.

- Amend the cross-reference to Classification 3018, *Steel Making or Processing*, for consistency with other industry group naming conventions.
- Amend Classification 8006(2), *Stores – fruit or vegetables – retail*, which is part of the Stores Industry Group, to clarify its intended application.
- Amend Classification 8006(1), *Stores – groceries – retail*, which is part of the Stores Industry Group, to clarify its intended application.
- Amend Classification 7365, *Taxicab Operations*, to increase the minimum annual payroll per taxicab from \$42,400 to \$43,800 to reflect wage inflation since the threshold was last amended in 2023.
- Amend Classification 9156, *Theaters – dance, opera or theater companies*, to increase the annual payroll limitation for performers and directors of performers from \$154,700 to \$159,900 per employee to reflect wage inflation since the payroll limitation was last amended in 2023.
- Amend Classification 9151, *Theaters – musical entertainment*, to increase the annual payroll limitation for performers and directors of performers from \$154,700 to \$159,900 per employee to reflect wage inflation since the payroll limitation was last amended in 2023.
- Amend the cross-reference to Classification 3815(2), *Truck Body Mfg.*, for consistency with other industry group naming conventions.
- Amend the cross-reference to Classification 3815(1), *Truck, Truck Trailer or Bus Mfg. or Assembling*, for consistency with other industry group naming conventions.
- Amend the cross-reference to Classification 3401(1), *Tube or Pipe Products Mfg.*, for consistency with other industry group naming conventions.
- Amend Classification 7607(1), *Video Post-Production*, to increase the annual payroll limitation from \$154,700 to \$159,900 per employee to reflect wage inflation since the payroll limitation was last amended in 2023.
- Amend Classifications 5446/5447, *Wallboard Installation*, to increase the hourly wage threshold from \$38.00 to \$41.00 per hour to reflect wage inflation since the threshold was last amended in 2023.
- Amend Classifications 6315(1)/6316(1), *Water Mains or Connections Construction*, to increase the hourly wage threshold from \$38.00 to \$40.00 per hour to reflect wage inflation since the threshold was last amended in 2023.

- Amend Classifications 5474(2)/5482(2), *Waterproofing*, to increase the hourly wage threshold from \$31.00 to \$32.00 per hour to reflect wage inflation since the threshold was last amended in 2022.
 - Amend the cross-reference to Classification 3257, *Wire Goods Mfg.*, for consistency with other industry group naming conventions.
6. Amend Part 3, Section VIII, *Abbreviated Classifications – Numeric Listing*, for consistency with other proposed changes.
 7. Amend Appendix IV, *Classifications Including Clerical Office Employees, Clerical Telecommuter Employees or Outside Salespersons*, for consistency with other proposed changes.
 8. Amend Part 4, *Unit Statistical Reporting Requirements*, Section V, *Loss Information*, Subsection B, *Loss Data Elements*, Rule 4, *Catastrophe Number*, to confine the reporting of “Catastrophe Number” 12 to claims arising from a diagnosis of Coronavirus disease 2019 (COVID-19) with accident dates of December 1, 2019 through August 31, 2024.

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

Effective September 1, 2024

1. Amend Part 1, *General Provisions*, Section I, *Introduction*, Rule 2, *Effective Date*, to show that the effective date of the amended Miscellaneous Regulations is 12:01 AM, September 1, 2024.

Amendments to the *California Workers’ Compensation Experience Rating Plan—1995*, Title 10, California Code of Regulations, Section 2353.1

Effective September 1, 2024

1. Amend Section I, *General Provisions*, Rule 2, *Effective Date*, to show that the effective date of the amended Experience Rating Plan is 12:01 AM, September 1, 2024.
2. Amend Section III, *Eligibility and Experience Period*, Rule 1, *Eligibility Requirements for California Workers’ Compensation Insurance*, to adjust the eligibility threshold from \$10,200 to \$10,400 to reflect wage inflation and the proposed September 1, 2024 expected loss rates.

3. Amend Section VI, *Rating Procedure*, Rule 2, *Actual Losses and Actual Primary (Ap) Losses*, to exclude COVID-19 claims with accident dates of December 1, 2019 through August 31, 2024 from the computation of experience modifications.
4. Amend Table I, *Expected Loss Rates and D-Ratios*, to reflect the most current data available.
5. Amend Table II, *Primary Thresholds*, to reflect the most current data available.

CONTACT PERSON

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

AVAILABILITY STATEMENTS

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

The file for this action, which includes a copy of the proposed regulations, the WCIRB's filing, and any supplemental information, is contained in the Rulemaking File: REG-2024-00004 and is available for inspection and copying by prior appointment at 1901 Harrison Street, 6th Floor, Oakland, California 94612, between the hours of 9:00 A.M. and 5:00 P.M., Monday through Friday.

INTERNET ACCESS

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

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.

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.