

**NORTHERN MARIANA ISLANDS  
ADMINISTRATIVE CODE**

**TITLE 20 DEPARTMENT OF COMMERCE**

**CHAPTER 20-40  
OFFICE OF THE INSURANCE COMMISSIONER**



**OFFICE OF THE INSURANCE COMMISSIONER  
DEPARTMENT OF COMMERCE  
CALLER BOX 10007  
SAIPAN, MP 96950**

**NORTHERN MARIANA ISLANDS ADMINISTRATIVE CODE**

**TITLE 20 DEPARTMENT OF COMMERCE**

**CHAPTER 20-40 OFFICE OF THE INSURANCE COMMISSIONER**

**SUBCHAPTER 20-40.1 INSURANCE COMPANY REGULATIONS**

Part 001 - General Provisions . . . . . 1

§ 20-40.1-001 Authority . . . . . 1

§ 20-40.1-005 Purposes and Scope . . . . . 1

§ 20-40.1-010 Definitions . . . . . 2

Part 100 - Annual Audited Financial Reports . . . . . 2

§ 20-40.1-101 Filing and Extensions for Filing of Annual Audited Financial Reports . . . . . 3

§ 20-40.1-105 Contents of Annual Audited Financial Report . . . . . 3

§ 20-40.1-110 Designation of Independent Certified Public Accountant . . . . . 4

§ 20-40.1-115 Qualification of Independent Certified Public Accountant . . . . . 4

§ 20-40.1-120 Consolidated or Combined Audits . . . . . 5

§ 20-40.1-125 Scope of Examination and Report of Independent Certified Public Accountant . . . . . 6

§ 20-40.1-130 Notification of Adverse Financial Condition . . . . . 6

§ 20-40.1-135 Report on Significant Deficiencies in Internal Controls . . . . . 7

§ 20-40.1-140 Accountant s Letter of Qualifications . . . . . 7

§ 20-40.1-145 Definitions, Availability and Maintenance of CPA Workpapers . . . . . 8

§ 20-40.1-150 Exemptions and Effective Dates . . . . . 8

Part 200 - Security and Reserve Requirements . . . . . 9

§ 20-40.1-201 Second Rule; Security Deposit . . . . . 9

§ 20-40.1-205 Third Rule; Reserve Requirement . . . . . 10

§ 20-40.1-210 Fourth Rule; Withdrawal Procedures . . . . . 10

Part 300 - Miscellaneous Provisions . . . . . 11

§ 20-40.1-301 Severability Provision . . . . . 11

Appendix A . . . . . 12

Appendix B . . . . . 12

Application for Authority to Organize a Domestic Corporation . . . . . 12

**SUBCHAPTER 20-40.2 MANDATORY MOTOR VEHICLE LIABILITY INSURANCE RULES AND REGULATIONS . . . . . 12**

Part 001 - General Provisions . . . . . 13

Part 100 - The Assigned Risk Plan . . . . . 13

§ 20-40.2-101 Minimum Liability Coverage . . . . . 13

§ 20-40.2-102 Coverage to Be Provided in the First Instance by the Voluntary Market . . . . . 13

§ 20-40.2-104 Purposes of the Assigned Risk Plan . . . . . 13

§ 20-40.2-106 Eligibility for the Assigned Risk Plan . . . . . 14

§ 20-40.2-108 Additional Coverage Available to ARP Applicants . . . . . 14

§ 20-40.2-110 Administration of the Assigned Risk Plan . . . . . 14

§ 20-40.2-112 Accumulation of Penalty Points under the Plan . . . . . 15

§ 20-40.2-114 Application to the ARP . . . . . 16

§ 20-40.2-116 Assignment to the Assigned Risk Plan . . . . . 17

§ 20-40.2-118 Insurer s Duty to Accept or Reject . . . . . 17

§ 20-40.2-120 Installment Premium Payment Option . . . . . 18

§ 20-40.2-122 Procedure for Cancellations . . . . . 18

§ 20-40.2-124 Use of Premiums to Decide Apportionment of Assignments . . . . . 19

§ 20-40.2-126 Request for Voluntary Reassignment . . . . . 19

§ 20-40.2-128 Quarterly Reports and Annual Statements . . . . . 19

§ 20-40.2-130 Renewal Notices . . . . . 20

§ 20-40.2-132 Maximum Term of Coverage under the Plan . . . . . 20

§ 20-40.2-134	Options after Three Years of Participation Under Plan	20
§ 20-40.2-136	Re-application	21
§ 20-40.2-138	Relief under Tariff	21
§ 20-40.2-140	Appeal	21
§ 20-40.2-142	Procedure for Appeal	22
§ 20-40.2-144	Decision on Administrative Appeal	22
§ 20-40.2-146	Examination	23
Part 200 -	The Licensing of Insurance Providers that Provide Motor Vehicle Liability Insurance	23
§ 20-40.2-201	Definitions	23
§ 20-40.2-205	Application for Insurance Provider License	24
§ 20-40.2-210	Filing of Quarterly and Annual Reports	24
§ 20-40.2-215	Applications and Forms	25
	Exhibit A APPLICATION FOR INSURANCE PROVIDER LICENSE	26
	Exhibit B APPLICATION TO THE ASSIGNED RISK PLAN (ARP)	27

**SUBCHAPTER 20-40.3 NORTHERN MARIANAS INSURANCE ASSOCIATION WORKERS  
COMPENSATION TARIFF AND UNDERWRITING MANUAL**

	COMPENSATION TARIFF AND UNDERWRITING MANUAL	28
Part 001 -	General Provisions	28
§ 20-40.3-001	Special Condition; Definition	28
Part 100 -	General Rules	28
§ 20-40.3-101	Workers Compensation	28
§ 20-40.3-105	Policy Forms	29
§ 20-40.3-110	Application of Manual Rules	29
§ 20-40.3-115	Effective Date	29
§ 20-40.3-120	Anniversary Rating Date	29
§ 20-40.3-125	Loss Cost Values	29
Part 200 -	Explanation of Coverage and Methods of Insuring	30
§ 20-40.3-201	Part One; Workers Compensation Insurance	30
§ 20-40.3-205	Part Two; Employers Liability Insurance	30
§ 20-40.3-210	Part Three; Voluntary Compensation Insurance	31
Part 300 -	Policy Preparation; Insured, Policy Period and State of Operations	
	Items 1, 2 and 3.A of the Information or Declarations Page	31
§ 20-40.3-301	Explanation of Terms	31
§ 20-40.3-305	Name, Address and Other Workplaces of Insured; Item 1	32
§ 20-40.3-310	Policy Period; Item 2	32
Part 400 -	Classification; Item 4 of the Information or Declaration Page	32
§ 20-40.3-401	General Information	32
§ 20-40.3-405	Explanation of Classifications	33
§ 20-40.3-410	Classification Wording	34
§ 20-40.3-415	Assignment of Classifications	35
§ 20-40.3-420	Payroll Assignment; Multiple Classifications	37
§ 20-40.3-425	How to Show Classification in Item 4 of the Information or Declarations Page	38
Part 500 -	Premium Basis; Item 4 of the Information Page	38
§ 20-40.3-501	Basis of Premium; Total Remuneration	38
§ 20-40.3-505	Remuneration; Payroll	38
§ 20-40.3-510	Estimated Payrolls	39
§ 20-40.3-515	Whole Dollars; Payrolls	39
Part 600 -	Rates and Premium Determination; Item 4 of the Information Page	39
§ 20-40.3-601	Rates	39
§ 20-40.3-605	Premium Determination	39
§ 20-40.3-610	Whole Dollars; Premiums	40
§ 20-40.3-615	Expense Constant	40
§ 20-40.3-620	Minimum Premium	41
§ 20-40.3-625	Deposit Premium	42
§ 20-40.3-630	Premium Determination for Federal and Maritime Insurance	42

Part 700 -	Limits of Liability; Item 3.B of the Information Page	42
§ 20-40.3-701	Workers Compensation and Employers Liability Policy	42
§ 20-40.3-705	Employers Liability Insurance; Without Workers Compensation Insurance (at Carriers Discretion)	43
§ 20-40.3-710	Voluntary Compensation Insurance	44
Part 800 -	Special Conditions or Operations Affecting Coverage and Premium	45
§ 20-40.3-801	Executive Officers	45
§ 20-40.3-805	Partners and Sole Proprietors	46
§ 20-40.3-810	Subcontractors	47
§ 20-40.3-815	Self Insured Employers; Requirements	47
Part 900 -	Cancellation	48
§ 20-40.3-901	Who May Cancel	48
§ 20-40.3-905	Premium Determination; Cancellation by the Insurance Carrier	48
§ 20-40.3-910	Premium Determination; Cancellation by the Insured When Retiring from Business	48
§ 20-40.3-915	Premium Determination; Cancellation by the Insured, Exert When Retiring from Business	49
§ 20-40.3-920	Short Rate Cancellation Table for Term of One Year	50
Part 1000 -	Longshore and Harbor Workers Compensation Act	51
§ 20-40.3-1001	General Information	51
§ 20-40.3-1005	Workers Compensation Insurance; Part One	51
§ 20-40.3-1010	Employers Liability Insurance; Part Two (at Carriers Discretion)	52
§ 20-40.3-1015	Classification and Rates	52
§ 20-40.3-1020	Extensions of the Longshore and Harbor Workers Compensation Act	52
Part 1100 -	The Admiralty Law and Federal Employer s Liability Act	53
§ 20-40.3-1101	General Information	53
§ 20-40.3-1105	Description of Coverage Programs	53
§ 20-40.3-1110	Coverage	54
§ 20-40.3-1115	Exclusions	54
§ 20-40.3-1120	Limit of Liability	55
§ 20-40.3-1125	Classifications and Rates	56
§ 20-40.3-1130	Waters Not under Admiralty Jurisdiction	57
Part 1200 -	Domestic Workers; Residences	57
§ 20-40.3-1201	Definitions	58
§ 20-40.3-1205	Coverage; Voluntary Compensation Insurance	58
§ 20-40.3-1210	Name of Insured	58
§ 20-40.3-1215	Classifications	58
§ 20-40.3-1220	Rates and Premium	59
§ 20-40.3-1225	Minimum Premium	59
Part 1300 -	Final Eamed Premium Determination	59
§ 20-40.3-1301	Actual Payroll	59
§ 20-40.3-1305	Premium Determination	59
§ 20-40.3-1310	Audit Rights of Carrier	60
Part 1400 -	Miscellaneous Provisions	60
§ 20-40.3-1401	Excess Insurance (at Carriers Discretion)	60
	Appendix A Classification and Tariff Section	60-132
	Appendix B Interpretation Section	132-136
	Appendix C Cancellation Tables	136
	Appendix D Manual Supplement - Treatment of Disease Coverage	136

**NORTHERN MARIANA ISLANDS  
ADMINISTRATIVE CODE  
TITLE 20 DEPARTMENT OF COMMERCE**

**CHAPTER 20-40 OFFICE OF THE INSURANCE COMMISSIONER  
SUBCHAPTER 20-40.1 INSURANCE COMPANY REGULATIONS**

Subchapter Authority: 1 CMC § 2454; 4 CMC § 7105(b).

Subchapter History: Amdts Proposed 27 Com. Reg. 24537 (June 20, 2005);\* Amdts Adopted 27 Com. Reg. 24086 (Feb. 17, 2005); Amdts Proposed 27 Com. Reg. 23819 (Jan. 17, 2005); Amdts Adopted 20 Com. Reg. 16296 (Nov. 15, 1998); Amdts Proposed 20 Com. Reg. 15969 (July 15, 1998) (extending comment period); Amdts Proposed 20 Com. Reg. 15910 (June 15, 1998); Adopted 16 Com. Reg. 12586 (Nov. 15, 1994); Proposed 16 Com. Reg. 12359 (Sept. 15, 1994).

\*As of December 2005, a notice of adoption for the June 2005 proposed amendments had not been published.

Commission Comment: 1 CMC § 2451 originally created the Department of Commerce and Labor. 1 CMC § 2454 directs the Department to adopt rules and regulations regarding those matters over which it has jurisdiction.

Title 4, division 7 of the Commonwealth Code, 4 CMC §§ 7101-7509, codifies PL 3-107 (effective Feb. 24, 1984), the “Commonwealth Insurance Act of 1983,” and governs the insurance business in the Commonwealth. 4 CMC § 7104 creates the Insurance Commissioner of the Commonwealth with the powers and duties to administer the act and promulgate rules and regulations necessary for effectuating the act. 4 CMC §§ 7104 and 7105(b).

Executive Order 94-3 (effective August 23, 1994) reorganized the Commonwealth government executive branch, changed agency names and official titles and effected numerous other revisions. According to Executive Order 94-3 § 103:

Section 103. Department of Commerce.

The Department of Commerce and Labor is re-designated the Department of Commerce.

The full text of Executive Order 94-3 is set forth in the commission comment to 1 CMC § 2001.

**Part 001 - General Provisions**

**§ 20-40.1-001 Authority**

This subchapter is promulgated by the Commissioner of Insurance pursuant to 4 CMC § 7105(b) of the Commonwealth Insurance Act of 1983 as amended.

Modified, 1 CMC § 3806(d).

History: Adopted 16 Com. Reg. 12586 (Nov. 15, 1994); Proposed 16 Com. Reg. 12359 (Sept. 15, 1994).

**§ 20-40.1-005 Purposes and Scope**

(a) The purposes of this subchapter are to improve the Office of the Commonwealth Insurance Commissioner’s surveillance of the financial condition of insurers by:

(1) Requiring an annual examination by independent certified public accountants of the financial statements reporting the financial position and the results of operations of insurers.

(2) To ensure reserves are allocated for certain risks.

(b) Every insurer, as defined in § 20-40.1-010, shall be subject to subsection (a)(1). Insurers having direct premiums written in the CNMI of less than \$450,000 in any calendar year and less than 50 policyholders or certificate holders of directly written policies at the end of such calendar year shall be exempt from the rule for such year unless the Commissioner makes a specific finding that compliance is necessary for the Commissioner to carry out statutory responsibilities except that insurers having assumed premiums pursuant to contracts and/or treaties of reinsurance of \$50,000 or more will not be so exempt.

(c) Foreign or alien insurers filing audited financial reports in another state, pursuant to such other state's requirement of audited financial reports which has been found by the commissioner to be substantially similar to the requirements herein, are exempt from this rule if:

(1) A copy of the audited financial report, report on significant deficiencies in internal controls, and the accountant's letter of qualifications which are filed with such other state are filed with the Commissioner in accordance with the filing dates specified in § 20-40.1-101, § 20-40.1-135, and § 20-40.1-140 respectively.

(2) A copy of any notification of adverse financial condition report filed with such other state is filed with the Commissioner within the time specified in § 20-40.1-130.

(d) This rule shall not prohibit, preclude or in any way limit the Commissioner of Insurance from ordering and/or conducting and/or performing examinations of insurers under this subchapter and the practices and procedures of the Office of the Insurance Commissioner.

(e) There is no exception to subsection (a)(2), the imposition of security deposits on all insurers providing for labor bonds and/or surety on alien laborers.

Modified, 1 CMC § 3806(c), (d), (f), (g).

History: Amdts Proposed 27 Com. Reg. 24537 (June 20, 2005); Adopted 16 Com. Reg. 12586 (Nov. 15, 1994); Proposed 16 Com. Reg. 12359 (Sept. 15, 1994).

Commission Comment: The original paragraphs were not designated. The Commission designated subsections (a) through (e).

In subsection (b), the Commission inserted a "\$" before "450,000" and deleted a closed parenthesis after the word "responsibilities." The Commission also replaced the phrase "the first rule" with "subsection (a)(1)." In subsection (e), the Commission replaced the phrase "the second rule" with "subsection (a)(2)."

The June 2005 amendments proposed to add a new subsection (a)(1) and amend subsections (b), (c), (c)(1), (d) and (e). As of December 2005, a notice of adoption had not been published.

## **§ 20-40.1-010 Definitions**

(a) "Audited financial report" means and includes those items specified in § 20-40.1-105 of this subchapter.

(b) "Accountant" and "independent certified public accountant" means an independent certified public accountant or accounting firm in good standing with the American Institute of CPA's and in all states in which they are licensed to practice.

(c) "Insurer" means an authorized insurer as defined in 4 CMC § 7301(a) and (b) of the Commonwealth Insurance Act of 1983.

(d) "State" means any state of the United States, the governments of Puerto Rico, American Samoa and Guam.

(e) Labor bond is defined in the Alien Labor Rules and Regulations adopted on April 15, 1988 section II page 5515 [10 Com. Reg. at 5515 (Apr. 15, 1988)] and is herein incorporated.

Modified, 1 CMC § 3806(c), (d), (f).

History: Adopted 16 Com. Reg. 12586 (Nov. 15, 1994); Proposed 16 Com. Reg. 12359 (Sept. 15, 1994).

Commission Comment: The Alien Labor Rules and Regulations provision referenced in subsection (e) is codified as amended at NMIAC § 80-20.1-110(e).

## **Part 100 - Annual Audited Financial Reports**

### **§ 20-40.1-101 Filing and Extensions for Filing of Annual Audited Financial Reports**

(a) All insurers shall have an annual audit by an independent certified public accountant and shall file an audited financial report with the Commissioner on or before June 1 for the year ended December 31 immediately preceding. The Commissioner may require an insurer to file an audited financial report earlier than June 1 with ninety days advance notice to the insurer.

(b) Extensions of the June 1 filing date may be granted by the Commissioner for thirty-day periods upon showing by the insurer and its independent certified public accountant the reasons for requesting such extension and determined by the Commissioner of good cause for an extension. The request for extension must be submitted in writing not less than ten days prior to the due date in sufficient detail to permit the Commissioner to make an informed decision with respect to the requested extension.

Modified, 1 CMC § 3806(e).

History: Amdts Proposed 27 Com. Reg. 24537 (June 20, 2005); Adopted 16 Com. Reg. 12586 (Nov. 15, 1994); Proposed 16 Com. Reg. 12359 (Sept. 15, 1994).

Commission Comment: The original paragraphs were not designated. The Commission designated subsections (a) and (b).

The June 2005 amendments proposed to amend subsection (b). As of December 2005, a notice of adoption had not been published.

### **§ 20-40.1-105 Contents of Annual Audited Financial Report**

(a) The annual audited financial report shall report the financial position of the insurer as of the end of the most recent calendar year and the results of its operations, cash flows and changes in capital and surplus for the year then ended in conformity with statutory accounting practices prescribed, or otherwise permitted, by the Department of Insurance of the state of domicile.

(b) The annual audited financial report shall include the following:

- (1) Report of independent certified public accountant.
- (2) Balance sheet reporting admitted assets, liabilities, capital and surplus.
- (3) Statement of operations.
- (4) Statement of cash flows.
- (5) Statement of changes in capital and surplus (for domestic insurers, the statement of changes in capital and surplus).
- (6) Notes to financial statements. These notes shall be those required by the appropriate NAIC annual statement instructions and any other notes required by generally accepted accounting principles and shall also include:
  - (i) A reconciliation of differences, if any, between the audited statutory financial statements and the annual statement filed pursuant to 4 CMC §§ 7306(o)(1), 7396(d), and 7308(e), respectively, of the Commonwealth Insurance Act with a written description of the nature of these differences.
  - (ii) A summary of ownership and relationships of the insurer and all affiliated companies.

(7) The financial statements included in the audited financial report shall be prepared in a form and using language and groupings substantially the same as the relevant sections of the audited statement of the insurer filed with the Commissioner, and the financial statement shall be comparative, presenting the amounts as of December 31 of the current year and the amounts as of the immediately preceding December 31. However, in the first year in which an insurer is required to file an audited financial report, the comparative data may be omitted.

Modified, 1 CMC § 3806(f).

History: Amdts Proposed 27 Com. Reg. 24537 (June 20, 2005); Adopted 16 Com. Reg. 12586 (Nov. 15, 1994); Proposed 16 Com. Reg. 12359 (Sept. 15, 1994).

Commission Comment: The original paragraphs were not designated. The Commission designated subsections (a) and (b).

The June 2005 amendments proposed to amend subsection (a). As of December 2005, a notice of adoption had not been published.

### **§ 20-40.1-110 Designation of Independent Certified Public Accountant**

(a) Each insurer required by this subchapter to file an annual audited financial report must within sixty days after becoming subject to such requirement, register with the Commissioner in writing the name and address of the independent certified public accountant or accounting firm (generally referred to in this subchapter as the “accountant”) retained to conduct the annual audit set forth in this subchapter. Insurers not retaining an independent certified public accountant on the effective date of this rule shall register the name and address of their retained certified public accountant not less than six months before the date when the first audited financial report is to be filed.

(b) The insurer shall obtain a letter from the accountant, and file a copy with the Commissioner stating that the accountant is aware of the provisions of the Insurance Code and the rules and regulations of the Insurance Department of the state of domicile that relate to accounting and financial matters and affirming that he will express his opinion on the financial statements in terms of their conformity to the statutory accounting practices prescribed or otherwise permitted by the Department, specifying such exceptions as he may believe appropriate.

(c) If an accountant who was the accountant for the immediately preceding filed audited financial report is dismissed or resigns the insurers shall within five business days notify the Commissioner of this event. The insurers shall also furnish the Commissioner with a separate letter within ten business days of the above notification stating whether in the twenty-four months preceding such event there were any disagreements with the former accountant on any matter of accounting principles or practices, financial statement disclosure, or auditing scope or procedure; which disagreements, if not resolved to the satisfaction of the former accountant, would have caused him to make reference opinion. The disagreements required to be reported in response to this section include both those resolved to the former accountant’s satisfaction and those not resolved to the former accountant’s satisfaction. Disagreements contemplated by this section are those that occur at the decision-making level, i.e., between personnel of the insurer responsible for presentation of its financial statements and personnel of the accounting firm responsible for rendering its report. The insurer shall also in writing request such former accountant to furnish a letter addressed to the insurer stating whether the accountant agrees with the statements contained in the insurer’s letter and, if not, stating the reasons for which he does not agree; and the insurer shall furnish such responsive letter from the former accountant to the Commissioner together with its own.

Modified, 1 CMC § 3806(d), (e).

History: Adopted 16 Com. Reg. 12586 (Nov. 15, 1994); Proposed 16 Com. Reg. 12359 (Sept. 15, 1994).

Commission Comment: The original paragraphs were not designated. The Commission designated subsections (a) through (c).

### **§ 20-40.1-115 Qualification of Independent Certified Public Accountant**

© 2009 by The Commonwealth Law Revision Commission



(a) The Commissioner shall not recognize any person or firm as a qualified independent certified public accountant that is not in good standing with the American Institute of CPAs and in all states in which the accountant is licensed to practice.

(b) Except as otherwise provided herein, an independent certified public accountant shall be recognized as qualified as long as he or she conforms to the standards of his or her profession, as contained in the Code of Professional Ethics of the American Institute of Certified Public Accountants.

(c)(1) No partner or other person responsible for rendering a report may act in that capacity for more than seven consecutive years. Following any period of service such person shall be disqualified from acting in that or a similar capacity for the same company or its insurance subsidiaries or affiliates for a period of two years. An insurer may make application to the Commissioner for relief from the above rotation requirement on the basis of unusual circumstances. The Commissioner may consider the following factors in determining if the relief should be granted:

(i) Number of partners, expertise of the partners or the number of insurance clients in the currently registered firm;

(ii) Premium volume of the insurer; or

(iii) Number of jurisdictions in which the insurer transacts business.

(2) The requirement of this paragraph shall become effective two years after the enactment of this subchapter.

(d) The Commissioner shall not recognize as a qualified independent certified public accountant, nor accept any annual audited financial report, prepared in whole or in part by, any natural person who:

(1) Has been convicted of fraud, bribery, a violation of the Racketeer Influenced and Corrupt Organizations Act, 18 U.S.C. §§ 1961- 1968, or any dishonest conduct or practices under federal or state law;

(2) Has been found to have violated the insurance laws of this state with respect to any previous reports submitted under this subchapter; or

(3) Has demonstrated a pattern or practice of failing to detect or disclose material information in previous reports filed under the provisions of this subchapter.

(e) The Commissioner of Insurance, as provided in 4 CMC § 7201(i) of the Commonwealth Insurance Act, may hold a hearing to determine whether a certified public accountant is qualified and, considering the evidence presented, may rule that the accountant is not qualified for purposes of expressing his opinion on the financial statements in the annual audited financial report made pursuant to this subchapter and require the insurer to replace the accountant with another whose relationship with the insurer is qualified within the meaning of this subchapter.

Modified, 1 CMC § 3806(d), (e), (f), (g).

History: Adopted 16 Com. Reg. 12586 (Nov. 15, 1994); Proposed 16 Com. Reg. 12359 (Sept. 15, 1994).

Commission Comment: The original paragraphs of subsection (c) were not designated. The Commission designated subsections (c)(1) and (c)(2).

In subsection (b), the Commission changed “as” to “an” before “independent certified public accountant” to correct a manifest error.

#### **§ 20-40.1-120 Consolidated or Combined Audits**

An insurer may make written application to the Commissioner for approval to file audited consolidated or combined financial statements in lieu of separate annual audited financial statements if the insurer is part of a group of insurance companies which utilizes a pooling or one hundred percent reinsurance agreement that affects the solvency and integrity of the insurer’s reserves and such insurer cedes all of its direct and assumed business to the pool. In such cases, a columnar consolidating or combining worksheet shall be filed with the report, as follows:

(a) Amounts shown on the consolidated or combined audited financial report shall be shown on the worksheet.

© 2009 by The Commonwealth Law Revision Commission

- (b) Amounts for each insurer subject to this section shall be stated separately.
- (c) Noninsurance operations may be shown on the worksheet on a combined or individual bases.
- (d) Explanations of consolidating and eliminating entries shall be included.
- (e) A reconciliation shall be included of any differences between the amounts shown in the individual insurer columns of the worksheet and comparable amounts shown on the annual statements of the insurers.

Modified, 1 CMC § 3806(f).

History: Adopted 16 Com. Reg. 12586 (Nov. 15, 1994); Proposed 16 Com. Reg. 12359 (Sept. 15, 1994).

### **§ 20-40.1-125 Scope of Examination and Report of Independent Certified Public Accountant**

Financial statements furnished pursuant to § 20-40.1-105 hereof shall be examined by an independent certified public accountant. The examination of the insurer's financial statements shall be conducted in accordance with generally accepted auditing standards. Consideration should also be given to such other procedures illustrated in the Financial Condition Examiner's Handbook promulgated by the National Association of Insurance Commissioners as the independent certified public accountant deems necessary.

History: Amdts Proposed 27 Com. Reg. 24537 (June 20, 2005); Adopted 16 Com. Reg. 12586 (Nov. 15, 1994); Proposed 16 Com. Reg. 12359 (Sept. 15, 1994).

Commission Comment: The June 2005 amendments proposed to add new subsections (b) through (e) and amend subsection (a). As of December 2005, a notice of adoption had not been published.

### **§ 20-40.1-130 Notification of Adverse Financial Condition**

(a) The insurer required to furnish the annual audited financial report shall require the independent certified public accountant to report, in writing, within five business days to the board of directors or its audit committee any determination by the independent certified public accountant that the insurer has materially misstated its financial condition as reported to the Commissioner as of the balance sheet date currently under examination or that the insurer does not meet the minimum capital and surplus requirement of the Commonwealth Insurance Act of that date. An insurer who has received a report pursuant to this subsection shall forward a copy of the report to the Commissioner within five business days of receipt of such report and shall provide the independent certified public accountant making the report with evidence of the report being furnished to the Commissioner. If the independent certified public accountant fails to receive such evidence within the required five business day period, the independent certified public accountant shall furnish to the Commissioner a copy of its report within the next five business days.

(b) No independent public accountant shall be liable in any manner to any person for any statement made in connection with subsection (a) if such statement is made in good faith in compliance with subsection (a).

(c) If the accountant, subsequent to the date of the audited financial report filed pursuant to this subchapter, becomes aware of facts which might have affected his report, the Office of the Insurance Commissioner notes the obligation of the accountant to take such action as prescribed in Volume 1, Section AQ 561 of the Professional Standards of the American Institute of Certified Public Accountants.

Modified, 1 CMC § 3806(d), (e), (f).

History: Adopted 16 Com. Reg. 12586 (Nov. 15, 1994); Proposed 16 Com. Reg. 12359 (Sept. 15, 1994).

Commission Comment: The original paragraphs were not designated. The Commission designated subsections (a) through (c).

### **§ 20-40.1-135 Report on Significant Deficiencies in Internal Controls**

In addition to the annual audited financial statements, each insurer shall furnish the Commissioner with a written report prepared by the accountant describing significant deficiencies in the insurer's internal control structure noted by the accountant during the audit. ASA No. 60, Communication of Internal Control Structure Matters Noted in an Audit (AU Section 325 of the Professional Standards of the American Institute of Certified Public Accountants) requires an accountant to communicate significant deficiencies (known as "reportable conditions") noted during a financial statement audit to the appropriate parties within an entity. No report should be issued if the accountant does not identify significant deficiencies. If significant deficiencies are noted, the written report shall be filed annually by the insurer with the Office of the Insurance Commissioner within sixty days after the filing of the annual audited financial statements. The insurer is required to provide a description of remedial actions taken or proposed to correct significant deficiencies, if such actions are not described in the accountant's report.

Modified, 1 CMC § 3806(e), (f).

History: Adopted 16 Com. Reg. 12586 (Nov. 15, 1994); Proposed 16 Com. Reg. 12359 (Sept. 15, 1994).

### **§ 20-40.1-140 Accountant's Letter of Qualifications**

The accountant shall furnish the insurer in connection with, and for inclusion in, the filing of the annual audited financial report, a letter stating:

- (a) That the accountant is independent with respect to the insurer and conforms to the standards of his or her profession as contained in the Code of Professional Ethics and pronouncements of the American Institute of Certified Public Accountants.
- (b) The background and experience in general, and the experience in audits of insurers of the staff assigned to the engagement and whether each is an independent certified public accountant. Nothing within this section shall be construed as prohibiting the accountant from utilizing such staff as he or she deems appropriate where use is consistent with the standards prescribed by generally accepted auditing standards.
- (c) That the accountant understands the annual audited financial report and his opinion thereon will be filed in compliance with this subsection and that the Commissioner will be relying on this information in the monitoring and regulation of the financial position of insurers.
- (d) That the accountant consents to the requirements of § 20-40.1-145 and that the accountant consents and agrees to make available for review by the Commissioner, his designee or his appointed agent, the workpapers, as defined in § 20-40.1-145.
- (e) A representation that the accountant is properly licensed by an appropriate state licensing authority and is a member in good standing in the American Institute of Certified Public Accountants.
- (f) A presentation that the accountant is in compliance with the requirements of § 20-40.1-115.

Modified, 1 CMC § 3806(c), (d), (g).

History: Adopted 16 Com. Reg. 12586 (Nov. 15, 1994); Proposed 16 Com. Reg. 12359 (Sept. 15, 1994).

© 2009 by The Commonwealth Law Revision Commission

Commission Comment: In subsection (e), the Commission changed “an” to “and” before “is a member” to correct a manifest error.

#### **§ 20-40.1-145 Definitions, Availability and Maintenance of CPA Workpapers**

(a) Workpapers are the records kept by the independent certified public accountants of the procedures followed, the tests performed, the information obtained, and the conclusions reached pertinent to his examinations of the financial statements of an insurer. Workpapers, accordingly, may include audit planning documentation, work programs, analyses, memoranda, letters of confirmation and representation, abstracts of company documents and schedules or commentaries prepared or obtained by the independent certified public accountant in the course of his examination of the financial statements of an insurer and which support his opinion thereof.

(b) Every insurer required to file an audited financial report pursuant to this subchapter, shall require the accountant to make available for review by the Commissioner’s examiners, all workpapers prepared in the conduct of his examination and any communications related to the audit between the accountant and the insurer, at the offices of the insurer, at the Office of the Insurance Commissioner or at any other reasonable place designated by the Commissioner. The insurer shall require that the accountant retain the audit workpapers and communications until the Office of the Insurance Commissioner has filed a report on examination covering the period of the audit but no longer than seven years from the date of the audit report.

(c) In the conduct of the aforementioned periodic review by the Commissioner’s examiners, it shall be agreed that photocopies of pertinent audit workpapers may be made and retained by the Office of the Insurance Commissioner. Such reviews by the Commissioner’s examiners shall be considered investigations and all working papers and communications obtained during the course of such investigations shall be afforded the same confidentiality as other examination workpapers generated by the Office of the Insurance Commissioner.

Modified, 1 CMC § 3806(d), (e), (f).

History: Adopted 16 Com. Reg. 12586 (Nov. 15, 1994); Proposed 16 Com. Reg. 12359 (Sept. 15, 1994).

Commission Comment: The original paragraphs were not designated. The Commission designated subsections (a) through (c).

#### **§ 20-40.1-150 Exemptions and Effective Dates**

(a) Upon written application of any insurer, the Commissioner may grant an exemption from compliance with this part if the Commissioner finds, upon review of this application, that compliance with this part would constitute a financial or organizational hardship upon the insurer. An exemption may be granted at any time and from time to time for a specified period or periods. Within ten days from a denial of an insurer’s written request for an exemption from this part, such insurer may request in writing a hearing on its application for an exemption. Such hearing shall be held in accordance with 4 CMC § 7201(i) through (v) of the Commonwealth Insurance Act pertaining to administrative hearing procedures.

(b) Domestic insurers retaining a certified public accountant on the effective date of this subchapter who qualify as independent shall comply with this part for the year ending December 31, 1994 and each year thereafter unless the Commissioner permits otherwise.

(c) Domestic insurers not retaining a certified public accountant on the effective date of this subchapter who qualify as independent may meet the following schedule for compliance unless the Commissioner permits otherwise.

(1) As of December 31, 1994, file with the Commissioner:

- (i) Report of independent certified public accountant;
- (ii) Audited balance sheet;
- (iii) Notes to audited balance sheet.

(2) For the year ending December 31, 1994 and each year thereafter, such insurer shall file with the Commissioner all reports required by this subchapter.

(d) Foreign insurers shall comply with this part for the year ending December 31, 1994 and each year thereafter, unless the Commissioner permits otherwise.

Modified, 1 CMC § 3806(d), (e), (f).

History: Adopted 16 Com. Reg. 12586 (Nov. 15, 1994); Proposed 16 Com. Reg. 12359 (Sept. 15, 1994).

Commission Comment: The original paragraphs were not designated. The Commission designated subsections (a) through (d).

## **Part 200 - Security and Reserve Requirements**

### **§ 20-40.1-201 Second Rule; Security Deposit**

As security for the faithful performance of its obligations each insurer, as a condition of engaging in the business of issuing surety bonds for nonresident worker labor-related risk exposure, as required by the Director of Labor for the bonding of nonresident worker labor-related risk exposure, for calendar year 2005 shall deposit on a monthly basis with a duly licensed bank in the Commonwealth ten percent of its premiums written each month on every surety (labor) bond for nonresident workers, in addition to the required one hundred thousand dollars in time deposits for a period of one year, or the one hundred thousand dollars irrevocable letter of credit in a duly licensed bank in the Commonwealth, for the benefit of labor-related risk exposure of nonresident workers, with such deposits to be maintained at all times. Each following calendar year, the same insurer shall, in addition to the required one hundred thousand dollars in time deposits for a period of one year, or the one hundred thousand dollar irrevocable letter of credit, shall increase the monthly deposit by an additional five percent of its labor-related risk exposure for nonresident workers. The additional calendar year five percent increases in monthly deposits shall continue until the monthly deposits reach twenty-five percent of the total nonresident worker labor-related risk exposure. For example: for calendar year 2005 the monthly deposit shall be ten percent of the total nonresident worker labor-related premiums written; for calendar year 2006 the monthly deposit shall be fifteen percent of the total nonresident worker labor-related premiums written; for calendar year 2007 the monthly deposit shall be twenty percent of the total nonresident worker labor-related premiums written; and, for calendar year 2008 the monthly deposit shall be twenty-five percent of the total nonresident worker labor-related premiums written. The Insurance Commissioner prescribes the following procedures and guidelines:

(a) On or before renewal of an insurer's certificate of authority it must present to the Insurance Commissioner the required security deposits or irrevocable letter of credit and a quarterly listing of all nonresident labor bonds. The listing shall include such items as names of insured, employers, amount of coverage, and dates of the expiration of such bonds;

(b) Time deposit account or irrevocable letter of credit must show "insurance company" and "Insurance Commissioner" as holders of the account or as beneficiaries;

(c) The Commissioner shall turn over the time deposit to the Treasurer for safekeeping;

(d) The savings/escrow account for the reserve requirement as percentage of premiums written must show "insurance company" and "Insurance Commissioner" as holders of the account. Deposits to this account must be made on a monthly basis;

(e) Release of the security deposits and demand on letter of credit shall be accompanied by authority from the Insurance Commissioner and only upon satisfaction of the following conditions:

- (1) A reasonable determination by the Insurance Commissioner and after making findings that the circumstances surrounding the release warrants for such release. Reasons, findings, and determinations must be documented.
- (2) All its outstanding labor bonds have either expired, unearned premiums returned, or have been assumed by another bonding company.
- (3) All existing claims arising out of insurance transacted in the CNMI have been paid in full.
- (4) The bonding company shall cause publication of a notice of its intention to petition for the release of its security deposits and demand on letter of credit in a newspaper of general circulation in the CNMI once a week for four consecutive weeks, and shall cause said newspaper to file an affidavit of publication with the Commissioner.
- (5) If the Director of Labor or any person shall object to such release within one week from date of last publication, and give good and sufficient cause therefore, the Commissioner may order that the release be denied.
- (6) If the insurer has complied with the provisions of this section and no objection has been made, or if objection is made but without good and sufficient cause, the Commissioner shall order the release of the security deposits and demand on letter of credit.

Modified, 1 CMC § 3806(e), (f).

History: Amdts Adopted 27 Com. Reg. 24086 (Feb. 17, 2005); Amdts Proposed 27 Com. Reg. 23819 (Jan. 17, 2005); Amdts Adopted 20 Com. Reg. 16296 (Nov. 15, 1998); Amdts Proposed 20 Com. Reg. 15969 (July 15, 1998) (extending comment period); Amdts Proposed 20 Com. Reg. 15910 (June 15, 1998); Adopted 16 Com. Reg. 12586 (Nov. 15, 1994); Proposed 16 Com. Reg. 12359 (Sept. 15, 1994).

Commission Comment: The 1998 and the 2005 amendments republished this section with numerous amendments.

#### **§ 20-40.1-205 Third Rule; Reserve Requirement**

Any and all policies written to cover worker's compensation claims in the Commonwealth must be written by members of the Northern Marianas Insurance Association ("NMIA") and approved, in advance, by the Commissioner of Insurance with the concurrence of the Commonwealth Worker's Compensation Commission. The reserve requirement for NMIA members offering policies written to cover worker's compensation claims in the Commonwealth shall be equivalent of sixty-six percent of the cumulative premiums earned by the respective NMIA member from worker's compensation policies for the immediate three years preceding the earning of the premium from each worker's compensation policy. The applicable rate, or tariff, allowable to be charged on worker's compensation claims policies in the Commonwealth shall be one uniform rate and shall be published by the Commissioner of Insurance annually in the July Commonwealth Register, following written submission of input from any and all NMIA members.

Modified, 1 CMC § 3806(e), (f), (g).

History: Amdts Adopted 20 Com. Reg. 16296 (Nov. 15, 1998); Amdts Proposed 20 Com. Reg. 15969 (July 15, 1998) (extending comment period); Amdts Proposed 20 Com. Reg. 15910 (June 15, 1998).

Commission Comment: In the last sentence, the Commission corrected a typographical error in the word "policies."

#### **§ 20-40.1-210 Fourth Rule; Withdrawal Procedures**

Any and all alien insurers and foreign insurers, as defined by applicable Commonwealth statutes and regulations, as a condition for doing insurance business in the Commonwealth, do appoint, upon suspension, revocation, withdrawal, or refusal to extend the insurer's certificate of authority, the Insurance Commissioner as the registered agent for service of process for the respective alien insurer or foreign insurer. Any and all alien and foreign insurers who wish to withdraw their certificate of authority must also comply with the following:

- (a) An insurer who desires to withdraw from the CNMI must first make an application to the Commissioner for an order granting permission to withdraw.

- (b) Such application shall be accompanied by an affidavit of its principal officer and general agent, that:
- (1) It desires to withdraw and to permanently discontinue the transaction of insurance business in the CNMI;
  - (2) All its outstanding policies have either expired or have been reinsured in which case it shall file an affidavit by the reinsurance company stating that it has reinsured certain policies of the withdrawing company and setting forth in detail the policies it has reinsured; and that
  - (3) All existing claims arising out of insurance transacted in the CNMI have been paid in full.
- (c) It shall cause publication of a notice of its intention to withdraw in a newspaper of general circulation in the CNMI once a week for four consecutive weeks, and shall cause said newspaper to file an affidavit of publication with the Commissioner.
- (d) If any person shall object to such withdrawal within one week from date of last publication, and give good and sufficient cause therefore, the Commissioner may order that permission for which withdrawal be refused.
- (e) If the insurer has complied with the provisions of this section and no objection has been made, or if objection is made but without good and sufficient cause, the Commissioner shall order permission to withdraw and the withdrawing insurer shall deliver to the Commissioner for cancellation its certificate of authority and current business licenses of its agents and solicitors.

Modified, 1 CMC § 3806(e), (f), (g).

History: Amdts Adopted 20 Com. Reg. 16296 (Nov. 15, 1998); Amdts Proposed 20 Com. Reg. 15969 (July 15, 1998); Amdts Proposed 20 Com. Reg. 15910 (June 15, 1998).

Commission Comment: In the title to this section and the opening paragraph, the Commission corrected the spelling of the word “withdrawal.”

The Commission changed the final period to a semicolon at the end of subsection (b)(1).

## **Part 300 - Miscellaneous Provisions**

### **§ 20-40.1-301 Severability Provision**

- (a) If any section or portion of a section of this subchapter or the applicability thereof to any person or circumstance is held invalid by a court, the remainder of the section or the applicability of such provisions to other persons or circumstances shall not be affected thereby.
- (b) The review committee under the direction of the Secretary of Commerce shall adopt specific criteria and establish standard operating procedures and shall be incorporated into these regulations: forms, standard operating procedures and guidelines, public notices and service announcements, memorandums, and other miscellaneous items.

Modified, 1 CMC § 3806(d), (g).

History: Adopted 16 Com. Reg. 12586 (Nov. 15, 1994); Proposed 16 Com. Reg. 12359 (Sept. 15, 1994).

Commission Comment: The first paragraph of this section was not designated. The Commission designated it subsection (a).

In subsection (b), the Commission changed “criterias” to “criteria” to correct a manifest error.

## **Appendix A**

[Click to view image](#)

[Click to view image](#)

History: Adopted 16 Com. Reg. 12586 (Nov. 15, 1994); Proposed 16 Com. Reg. 12359 (Sept. 15, 1994).

**Appendix B**  
**Application for Authority to Organize a Domestic Corporation**

[Click to view image](#)

History: Adopted 16 Com. Reg. 12586 (Nov. 15, 1994); Proposed 16 Com. Reg. 12359 (Sept. 15, 1994).

Commission Comment: PL 11-73 (effective March 19, 1999), the “Business Licencing Processing Act of 1998,” codified at 1 CMC § 2553(l) and (m), and 4 CMC §§ 5611-5614 completely revised the Commonwealth code provisions regarding business licenses and transferred authority to issue business licenses from the Department of Commerce to the Department of Finance. See 4 CMC §§ 5611-5614; see also NMIAC, title 70, subchapter 40.1.

**SUBCHAPTER 20-40.2 MANDATORY MOTOR VEHICLE LIABILITY INSURANCE RULES AND REGULATIONS**

Subchapter Authority: 9 CMC §§ 8206 and 8207.

Subchapter History: 21 Com. Reg. 16882 (Aug. 23, 1999) (correcting the certification date); Adopted 21 Com. Reg. 16851 (July 23, 1999); Emergency and Proposed 21 Com. Reg. 16649\* (Apr. 19, 1999) (effective for 120 days from Mar. 29, 1999).

\*Page 16649 is misnumbered as page 16449 in the Commonwealth Register.

Commission Comment: 1 CMC § 2451 originally created the Department of Commerce and Labor. 1 CMC § 2454 directs the Department to adopt rules and regulations regarding those matters over which it has jurisdiction.

Title 4, division 7 of the Commonwealth Code, 4 CMC §§ 7101-7509, codifies PL 3-107 (effective Feb. 24, 1984), the “Commonwealth Insurance Act of 1983,” and governs the insurance business in the Commonwealth. 4 CMC § 7104 creates the Insurance Commissioner of the Commonwealth with the powers and duties to administer the act and promulgate rules and regulations necessary for effectuating the act. 4 CMC §§ 7104 and 7105(b).

Executive Order 94-3 (effective August 23, 1994) reorganized the Commonwealth government executive branch, changed agency names and official titles and effected numerous other revisions. According to Executive Order 94-3 § 103:

Section 103. Department of Commerce.

The Department of Commerce and Labor is re-designated the Department of Commerce.

The full text of Executive Order 94-3 is set forth in the commission comment to 1 CMC § 2001.

PL 11-55 (effective Jan. 29, 1999), the “Mandatory Liability Auto Insurance Act,” codified at 9 CMC §§ 8201-8218, requires a minimum level of auto liability insurance to operate a motor vehicle on public streets. 9 CMC § 8206 provides that the Insurance Commissioner will issue licenses to motor vehicle liability insurance providers and authorizes the Commissioner to promulgate rules and regulations necessary to implement the act. 9 CMC § 8207 directs the Insurance Commissioner to promulgate rules and regulations to create an Assigned Risk Plan for motor vehicle liability insurance.



The emergency regulations published on April 19, 1999 were in effect for 120 days from March 29, 1999. PL 11-55 § 11 addressed the effective date of implementing regulations as follows:

Section 11. Effective Date. This Act shall take effect upon its approval by the Governor or upon its becoming law without such approval provided that in order to allow 60 days for the regulations required by this Act to be promulgated, all provisions in this Act except for those authorizing or requiring the promulgation of regulations shall be suspended for 60 days after the effective date of this Act. Upon completion of this 60 day period, all provisions of this Act and any regulations promulgated during the 60 day period, shall all become effective.

PL 11-55 took effect January 29, 1999.

## **Part 001 - General Provisions**

[Reserved.]

## **Part 100 - The Assigned Risk Plan**

### **§ 20-40.2-101 Minimum Liability Coverage**

In accordance with section 6 of Public Law 11-55 [9 CMC §§ 8202-8216], the operator of a motor vehicle must maintain minimum liability insurance of \$15,000 for bodily injury or death of any one person; \$30,000 for the bodily injuries or deaths of all persons involved in any one accident; and \$15,000 for injury, damage, or destruction of property in any one accident. The operator is required to have on his or her person or in the vehicle satisfactory evidence of minimum motor vehicle liability insurance. An insurance card issued by the insurance provider or agent that comports with the guidelines established by the Insurance Commissioner or his or her designee shall suffice as evidence of minimum motor vehicle liability insurance.

Modified, 1 CMC § 3806(f), (g).

History: 21 Com. Reg. 16882 (Aug. 23, 1999) (correcting the certification date); Adopted 21 Com. Reg. 16851 (July 23, 1999); Emergency and Proposed 21 Com. Reg. 16649 (Apr. 19, 1999) (effective for 120 days from Mar. 29, 1999).

Commission Comment: The 1999 regulations contained a footnote after “the Insurance Commissioner or his or her designee” as follows: “Hereinafter, whenever the terms ‘Insurance Commissioner’ or ‘the Commissioner’ are used, they shall be understood to mean ‘the Insurance Commissioner or his or her designee.’” See 21 Com. Reg. at 16655 n. 1. (Apr. 19, 1999).

The Commission deleted an incorrect reference to the Commonwealth code provisions which codify PL 11-55 § 6.

### **§ 20-40.2-102 Coverage to Be Provided in the First Instance by the Voluntary Market**

The coverage is to be provided in the first instance by the “voluntary market.” The “voluntary market” means coverage for motor vehicles provided by insurance providers in accordance with Public Law 11-55 [9 CMC §§ 8101, et seq.] but not written under the “assigned risk plan.” In the “voluntary market,” an insurance provider may decline to provide insurance coverage to an owner or operator based on the insurance provider’s underwriting guidelines. In the event that an insurance provider declines to provide the owner or operator with such coverage, the insurance provider will issue the owner or operator a letter of declination that states with specificity the reason(s) for declination.

Modified, 1 CMC § 3806(f).

History: 21 Com. Reg. 16882 (Aug. 23, 1999) (correcting the certification date); Adopted 21 Com. Reg. 16851 (July 23, 1999); Emergency and Proposed 21 Com. Reg. 16649 (Apr. 19, 1999) (effective for 120 days from Mar. 29, 1999).

### **§ 20-40.2-104 Purposes of the Assigned Risk Plan**

© 2009 by The Commonwealth Law Revision Commission

The purposes of the assigned risk plan (hereinafter “ARP” or “the plan”) are as follows:

- (a) To provide a means by which applicants for automobile bodily injury and property damage liability insurance, who are in good faith entitled to but are unable to procure such insurance through ordinary methods, may obtain such coverage.
- (b) To establish a reasonable plan for the assignment of eligible risks and for the equitable apportionment of these risks among insurers admitted to transact automobile insurance in the CNMI.

Modified, 1 CMC § 3806(f).

History: 21 Com. Reg. 16882 (Aug. 23, 1999) (correcting the certification date); Adopted 21 Com. Reg. 16851 (July 23, 1999); Emergency and Proposed 21 Com. Reg. 16649 (Apr. 19, 1999) (effective for 120 days from Mar. 29, 1999).

#### **§ 20-40.2-106 Eligibility for the Assigned Risk Plan**

In order to be eligible for the ARP, the owner of the vehicle must have attempted to secure motor vehicle liability insurance in the “voluntary market,” as evidenced by three letters of declination.

Modified, 1 CMC § 3806(e), (f).

History: 21 Com. Reg. 16882 (Aug. 23, 1999) (correcting the certification date); Adopted 21 Com. Reg. 16851 (July 23, 1999); Emergency and Proposed 21 Com. Reg. 16649 (Apr. 19, 1999) (effective for 120 days from Mar. 29, 1999).

#### **§ 20-40.2-108 Additional Coverage Available to ARP Applicants**

Nothing contained herein shall prohibit an insurer who accepts an assignment under this plan from offering to any insured any additional coverage which the applicant may be willing to purchase, such as collision, comprehensive, medical payments and uninsured motorist coverage. However, the insurance provider may not make such additional coverage a condition for provision of liability insurance to an ARP applicant assigned to it by the Insurance Commissioner.

Modified, 1 CMC § 3806(f).

History: 21 Com. Reg. 16882 (Aug. 23, 1999) (correcting the certification date); Adopted 21 Com. Reg. 16851 (July 23, 1999); Emergency and Proposed 21 Com. Reg. 16649 (Apr. 19, 1999) (effective for 120 days from Mar. 29, 1999).

#### **§ 20-40.2-110 Administration of the Assigned Risk Plan**

(a) The Insurance Commissioner shall administer the plan. The Insurance Commissioner shall make all assignments under the plan and shall faithfully and impartially perform the functions and duties set forth in this plan. S/he shall keep complete records and statistics and submit reports to the Commissioner as may be necessary for the efficient operation of the plan. The Insurance Commissioner shall compile the quarterly reports filed by the insurers for assigned risks written under the plan and shall keep a summary of these reports that will be made available for inspection upon request.

(b) On or before September 1st following the calendar year the Insurance Commissioner shall submit a compilation of the insurer’s annual reports for risks covered under the plan together with any recommendations for the efficient administration of the plan, including but not limited to the adjustments of rates, penalty points, recordkeeping and compilation of statistics.

Modified, 1 CMC § 3806(f).

History: 21 Com. Reg. 16882 (Aug. 23, 1999) (correcting the certification date); Adopted 21 Com. Reg. 16851 (July 23, 1999); Emergency and Proposed 21 Com. Reg. 16649 (Apr. 19, 1999) (effective for 120 days from Mar. 29, 1999).

Commission Comment: The original paragraphs were not designated. The Commission designated subsections (a) and (b).

### **§ 20-40.2-112 Accumulation of Penalty Points under the Plan**

(a) The driving record of any applicant and any person who during the 36 previous months, normally or usually drove or drives the motor vehicle, shall be the determining factor in the applicability of the additional premium charges. The modification shall be determined by the total number of penalty points accumulated by any owner or operator and any other person authorized by the applicant to operate the motor vehicle.

(b) In accordance with the following rules, penalty points shall be assigned to a maximum of eighteen points per vehicle on the basis of motor vehicle convictions that occurred during the 36 months immediately preceding the effective date of coverage in connection with the original application for motor vehicle insurance coverage and for renewal, during the 36 months ending prior to the effective date of renewal.

(1) Ten points shall be assigned for each of the following convictions, in addition to any points assignable for any one accident.

- (i) Driving a motor vehicle under the influence of intoxicating liquor or narcotic drugs.
- (ii) Failing to stop and report when involved in an accident where injury to any person results therefrom.
- (iii) Homicide or assault arising out of the operation of a motor vehicle.

(2) Six points shall be assigned for each of the following convictions, in addition to any points assignable for any accident:

- (i) Operating a motor vehicle without current automobile liability insurance, certificate of registration, and a valid driver's including during a period of revocation or suspension of motor vehicle registration or driver's license.
- (ii) Operating a motor vehicle without the permission of owner of the vehicle.
- (iii) Loaning a driver's license to an unlicensed operator.
- (iv) Making false statement in the application for motor vehicle registration or driver's license.
- (v) Impersonating an applicant for motor vehicle registration or driver's license or procuring a motor vehicle registration or driver's license through impersonation whether for himself or another person.

(3) Four points shall be assigned for each of the following convictions in addition to any points assignable for any accident:

- (i) Driving a motor vehicle in a reckless manner.
- (ii) Engaging in a speed contest.
- (iii) Permitting an unlicensed person to drive.
- (iv) Failing to stop and report when involved in an accident where injury does not result therefrom.

(4)(i) One point shall be assigned for one conviction and two points shall be assigned for each additional conviction, in the case of convictions for moving traffic violations other than those set forth above, unless the conviction resulted from an accident for which points are assignable, in which case only the points for the accident shall be assigned.

(ii) Exception: The following shall not be considered moving traffic violations:

- (A) Any motor vehicle equipment requirement of motor vehicle and traffic laws except brake and failure to use seatbelts and child restraint devices.
- (B) Failure to display proper motor vehicle license plates provided such plates are in existence.
- (C) Failure to have in possession a driver's license provided there is a valid driver's license in existence.
- (D) Failure to have a valid driver's license or valid vehicle registration certificate provided there is such license or registration in existence which has not been renewed for a period not to exceed ninety days.

(5)(i) Two points shall be assigned for each automobile accident resulting in a bodily injury or death to any person or in damage to property in excess of \$1,000.00.

(ii) Exception: Points shall not be assigned under this subsection if the accident occurred under the following circumstances:

- (A) The motor vehicle, owned or operated by the applicant or other person who usually drives the applicant's motor vehicle, was legally stopped at traffic control or was lawfully parked (an automobile rolling from a parked position shall not be construed as lawfully parked, but shall be considered as the operation of the last operator).

(B) The motor vehicle, owned or operated by the applicant or other person who usually drives the applicant's motor vehicle, was struck in the rear by another vehicle, and the applicant or other person who usually drives the applicant's motor vehicle, was not convicted of a moving traffic violation in connection with the accident.

(C) The motor vehicle, owned or operated by the applicant or other person who usually drives the applicant's motor vehicle, was damaged as a result of contact with a "hit and run" driver, and the applicant or such other person reported the accident to the proper authorities within 24 hours.

(D) The applicant (owner or operator) or other person who usually drives the applicant's motor vehicle was not convicted of a moving traffic violation, and the owner or operator of another motor vehicle was so convicted in connection with that accident.

(E) The applicant (owner or operator) or another person who usually drives the applicant's motor vehicle has obtained a judgment against, or a settlement from or on behalf of, the owner or operator of another vehicle involved in the accident (provided the judgment or settlement was obtained prior to the date of application to the plan, or, in the case of renewal, prior to the effective date of the renewal policy; and provided that as a result of such accident, no judgment was obtained against, nor was any amount paid in settlement by or on behalf of, the applicant or other person who usually drives the applicant's motor vehicle).

(F) Injury or damage was caused by contact with animals, fowl, flying gravel or falling objects.

(G) The accident occurred as a result of operating a motor vehicle in response to an emergency and, at the time of the accident, the applicant, or other person who usually drives the applicant's motor vehicle, was responding to a call of duty as a paid or volunteer member of any police or fire department, first aid squad, or any law enforcement agency.

(c) **Penalty Point Values and Additional Premium Charges.**

An additional \$25 for each penalty point shall be added to the premium for each vehicle insured under the assigned risk plan.

(d) **Note:** Where any automobile policy insures more than one motor vehicle, the applicable accumulated points shall be applied first to the motor vehicle with the highest premium and then shall be applied to the next highest rated motor vehicle or vehicle in succession, up to a maximum of eighteen points per vehicle.

Modified, 1 CMC § 3806(e), (f), (g).

History: 21 Com. Reg. 16882 (Aug. 23, 1999) (correcting the certification date); Adopted 21 Com. Reg. 16851 (July 23, 1999); Emergency and Proposed 21 Com. Reg. 16649 (Apr. 19, 1999) (effective for 120 days from Mar. 29, 1999).

Commission Comment: The original paragraphs of this section were not designated. The Commission designated subsections (a) through (d). The Commission changed former subsection (b)(6) to subsection (c) for clarity. The Commission also designated the paragraphs in subsections (b)(4) and (b)(5) as subsections (b)(4)(i) and (ii) and subsections (b)(5)(i) and (ii), respectively.

#### **§ 20-40.2-114 Application to the ARP**

(a) An application for automobile insurance coverage shall be filed by the applicant or anyone designated by him to act on his behalf.

(b) In the event an insurer shall deny automobile liability insurance coverage to an applicant, the insurer, or the general agent or any duly authorized agent of the insurer shall provide the applicant with a letter of declination that states with specificity the reason(s) for denial.

(c) To apply for the ARP, the owner must fill out the application provided by the Insurance Commissioner and attach copies of the three letters of declination, the owner and/or operator's traffic abstract, as provided by the Bureau of Motor Vehicles for a fee, and the owner and/or operator's traffic record, as provided by the Superior Court for a fee.

(d) Upon receipt of an application properly completed and executed and a determination that the applicant is an eligible risk for assignment, the Insurance Commissioner shall within five working days from receipt of completed application, designate an insurer and assign the eligible risk to such insurer.

Modified, 1 CMC § 3806(e), (f).

History: 21 Com. Reg. 16882 (Aug. 23, 1999) (correcting the certification date); Adopted 21 Com. Reg. 16851 (July 23, 1999); Emergency and Proposed 21 Com. Reg. 16649 (Apr. 19, 1999) (effective for 120 days from Mar. 29, 1999).

Commission Comment: The original paragraphs were not designated. The Commission designated subsections (a) through (d).

#### **§ 20-40.2-116 Assignment to the Assigned Risk Plan**

In the assignment of an eligible risk to insurer, the Insurance Commissioner shall issue to the applicant the following items that are to be supplied to the assigned insurer or its resident general agent:

- (a) An assignment of risk form
- (b) The ARP application
- (c) The driving record and the accident record (as enumerated in § 20-40.2-114) of the applicant and any person who, during the 36 previous months, normally and usually drove or drives the motor vehicle(s) included in a risk.

Modified, 1 CMC § 3806(c), (f).

History: 21 Com. Reg. 16882 (Aug. 23, 1999) (correcting the certification date); Adopted 21 Com. Reg. 16851 (July 23, 1999); Emergency and Proposed 21 Com. Reg. 16649 (Apr. 19, 1999) (effective for 120 days from Mar. 29, 1999).

#### **§ 20-40.2-118 Insurer's Duty to Accept or Reject**

(a) Within five working days from receipt of the required documentation stated in § 20-40.2-116, the designated insurer shall accept the assignment by the Insurance Commissioner and:

- (1) Issue a policy required by this plan or a temporary binder of coverage that will be effective not later than 12:00 a.m. of the fifth day following the receipt of such required documentation specified under § 20-40.2-116. In the event there is in force a policy terminating at a date later than the date that would be fixed pursuant to this section and applicant indicates such date in this application than the insurer shall fix the date when the policy or binder becomes effective as of 12:01 a.m. on the stated termination date of policy. In case a temporary binder of coverage was issued, the policy to replace such binder shall be issued no later than thirty days from the date of inception; and
- (2) Collect from the insured, the full annual premium or deposit premium as required in § 20-40.2-120. If a partial deposit has been paid to the insurer, the insurer shall notify the insured of the payment cancellation terms as stated in § 20-40.2-120; and
- (3) Notify the Insurance Commissioner that it has completed the assignment, and of the policy number, effective date and the gross premium.

(b) If within five working days from receipt of the required documentation stated in § 20-40.2-116, the designated insurer wants to reject the assignment by the Insurance Commissioner, it must file an appeal in accordance with § 20-40.2-140 and § 20-40.2-142.

Modified, 1 CMC § 3806(c), (e), (f).

History: 21 Com. Reg. 16882 (Aug. 23, 1999) (correcting the certification date); Adopted 21 Com. Reg. 16851 (July 23, 1999); Emergency and Proposed 21 Com. Reg. 16649 (Apr. 19, 1999) (effective for 120 days from Mar. 29, 1999).

Commission Comment: The notice of adoption added subsection (b). See 21 Com. Reg. at 16852 (July 23, 1999).

#### **§ 20-40.2-120 Installment Premium Payment Option**

(a) Any and all premiums of \$300.00 or less must be paid in advance of the issuance of a policy or a temporary binder of coverage under this plan. In the event that an annual premium exceeds \$300.00, an applicant may procure insurance by paying a deposit premium of 30% of the entire annual premium or \$300.00, whichever is greater. The remainder must be paid within 60 days of the issuance of the premium in two equal monthly installments. An insurer may require the payment of full annual premium if an applicant has within the twelve months prior to the date of application to the plan, had insurance coverage canceled due to non-payment of the premium.

(b) During any one assignment period (up to three years), if payment is not received within the time required under this section, an insurer shall have the right to cancel the policy by mailing or delivering to the insured, a notice of cancellation for non-payment of premium. Such notice shall state:

(1) The date, not less than thirty days from the date of mailing or delivery when a policy is to be canceled unless payment is made, and

(2) The amount required in order for coverage to continue under the plan. If the insured fails to meet the payment required by the date stated on such notice, the insurer may cancel the policy; in all such cases the insurer shall have filed with the Insurance Commissioner, in writing a notice of such cancellation.

(c) During any one assignment period (up to three years), if payment is not received within the time required under this section and an insurer mails or delivers a notice of cancellation for non-payment of premium, and the insured tenders payment before the effective date of cancellation of the policy, the insurer may require from the insured, the full payment of the balance of the premium for the current annual policy and may require the payment of the full premium on any subsequent renewals for such assignment under the plan.

(d) The obligation of a designated insurer with respect to an assignment under the plan ends and the insurer is not obligated to reinstate the policy or issue a new policy under the plan if:

(1) An insurer has canceled a policy due to non-payment of premium, or

(2) If the insured has failed to tender the required renewal or deposit premium in the time stated under subsection (a) of this section.

(e) In the event of a cancellation or non-renewal, the insured may file an application with the Insurance Commissioner as a new applicant. The Insurance Commissioner shall assign the applicant to another insurance provider within the ARP and shall require payment in full at the outset, regardless of the amount of the total premium.

Modified, 1 CMC § 3806(d), (e), (f).

History: 21 Com. Reg. 16882 (Aug. 23, 1999) (correcting the certification date); Adopted 21 Com. Reg. 16851 (July 23, 1999); Emergency and Proposed 21 Com. Reg. 16649 (Apr. 19, 1999) (effective for 120 days from Mar. 29, 1999).

Commission Comment: The final paragraph was not designated. The Commission designated it subsection (e).

#### **§ 20-40.2-122 Procedure for Cancellations**

If after the issuance of a policy the insurer finds that the applicant is not eligible for insurance, the insurer shall have the right to cancel the policy by mailing or delivering to the insured a notice of cancellation. Such notice shall state the date, not less than thirty days from the date of mailing or delivery when a policy is to be canceled and the reasons underlying such cancellation. In all such cases, the insurer shall have filed with the Bureau of Motor

Vehicles and the Insurance Commissioner, in writing, prior to the effective date of cancellation, a notice of such cancellation and the reasons underlying such cancellation.

Modified, 1 CMC § 3806(f).

History: 21 Com. Reg. 16882 (Aug. 23, 1999) (correcting the certification date); Adopted 21 Com. Reg. 16851 (July 23, 1999); Emergency and Proposed 21 Com. Reg. 16649 (Apr. 19, 1999) (effective for 120 days from Mar. 29, 1999).

#### **§ 20-40.2-124 Use of Premiums to Decide Apportionment of Assignments**

All insurers admitted to transact automobile insurance in the CNMI shall participate in the ARP. The Insurance Commissioner shall assign applicants to the ARP to insurance providers based on the insurer's proportion of gross written premium for total auto insurance in the CNMI. The Insurance Commissioner shall calculate the equitable apportionment of assignments to insurers under the plan and shall implement such calculation for assignments under the plan upon the completion and release of the Commissioner's annual report.

(a) In the year that an insurer transacts automobile liability insurance for the first time, the insurer shall participate in the equitable apportionment of eligible risks and be assigned the same proportion of eligible risks assigned to the insurer with the least direct premiums written but in no case less than one assignment.

(b) In the event of a merger or consolidation of insurers, the total direct premiums written by all insurers merged or consolidated shall be used to calculate the proportion of eligible risks assigned to the insurer formed by the merger or consolidation.

(c) If after the proportion of eligible risks has been calculated and assignments made, a new insurer commences transacting insurance, the Insurance Commissioner shall equitably adjust the proportion for the assignment of eligible risks to the other insurers.

Modified, 1 CMC § 3806(f).

History: 21 Com. Reg. 16882 (Aug. 23, 1999) (correcting the certification date); Adopted 21 Com. Reg. 16851 (July 23, 1999); Emergency and Proposed 21 Com. Reg. 16649 (Apr. 19, 1999) (effective for 120 days from Mar. 29, 1999).

#### **§ 20-40.2-126 Request for Voluntary Reassignment**

An eligible risk who is dissatisfied with the designated insurer or a designated insurer that is dissatisfied with an applicant insured by it may file with the Insurance Commissioner, not less than 30 days prior to the expiration of policy, written request for assignment of such eligible risk upon expiration to another insurer. Assignment to another insurer shall be at the discretion of the Insurance Commissioner.

Modified, 1 CMC § 3806(f).

History: 21 Com. Reg. 16882 (Aug. 23, 1999) (correcting the certification date); Adopted 21 Com. Reg. 16851 (July 23, 1999); Emergency and Proposed 21 Com. Reg. 16649 (Apr. 19, 1999) (effective for 120 days from Mar. 29, 1999).

#### **§ 20-40.2-128 Quarterly Reports and Annual Statements**

(a) Any and all insurers shall file annual statements as required by law and shall file quarterly reports of direct premiums written and direct losses incurred under the plan. The quarterly report shall be filed on or before the 20th day of the month following the end of the quarter.

(b) In the event an insurer shall fail to submit any quarterly report or annual statement in the time required herein, the Commissioner shall have the discretion to assess a late filing fee of \$500.00 per report to such insurer. In

the event an insurer shall fail to submit any required quarterly report or annual statement in excess of ninety days past the time stipulated, the Commissioner shall have the discretion to revoke the certificate of authority of such insurer.

(c) Should any insurer shall\* fail to submit any annual statement for any given year, the Insurance Commissioner shall have the option of using the highest gross written premiums for total auto by such insurer within the previous three years for the computation of the proportionate share of the insurer in the plan.

\*So in original, probably should be deleted.

Modified, 1 CMC § 3806(f).

History: 21 Com. Reg. 16882 (Aug. 23, 1999) (correcting the certification date); Adopted 21 Com. Reg. 16851 (July 23, 1999); Emergency and Proposed 21 Com. Reg. 16649 (Apr. 19, 1999) (effective for 120 days from Mar. 29, 1999).

Commission Comment: The original paragraphs were not designated. The Commission designated subsections (a) through (c).

### **§ 20-40.2-130 Renewal Notices**

(a) An insurer may request current policy rating information from the insured by means of a renewal questionnaire filed with and approved by the Commissioner. The questionnaire shall be mailed to the insured at the address shown on the policy, at least sixty days before the expiration date of the policy. Should the insured fail to respond or return the questionnaire, the insurer may use the most recent application submitted by the insured in the calculation of the annual premium.

(b) In any case, the insurer must send to the insured at the address shown on the policy, a notice for the renewal of the policy, together with the required renewal premium or down payment in accordance with § 20-40.2-120. This notice to the insured shall be mailed by the insurer no less than thirty days before the expiration date of the current policy.

Modified, 1 CMC § 3806(f).

History: 21 Com. Reg. 16882 (Aug. 23, 1999) (correcting the certification date); Adopted 21 Com. Reg. 16851 (July 23, 1999); Emergency and Proposed 21 Com. Reg. 16649 (Apr. 19, 1999) (effective for 120 days from Mar. 29, 1999).

Commission Comment: The original paragraphs were not designated. The Commission designated subsections (a) and (b).

### **§ 20-40.2-132 Maximum Term of Coverage under the Plan**

An insurer shall not be required to insure a risk as an assignment under the plan for a period in excess of three consecutive years.

Modified, 1 CMC § 3806(f).

History: 21 Com. Reg. 16882 (Aug. 23, 1999) (correcting the certification date); Adopted 21 Com. Reg. 16851 (July 23, 1999); Emergency and Proposed 21 Com. Reg. 16649 (Apr. 19, 1999) (effective for 120 days from Mar. 29, 1999).

### **§ 20-40.2-134 Options after Three Years of Participation Under Plan**

(a) Every insurer insuring an eligible risk that has been insured by insurer for a period of three consecutive years by an assignment under the plan, shall upon expiration of the current policy, either:

- (1) Issue a policy under the voluntary market; or
- (2) Issue a letter of declination to the insured.



(b) At least thirty days before the expiration date of such policy, such insurer shall notify the Insurance Commissioner and the insured of its intended action under this section.

Modified, 1 CMC § 3806(f).

History: 21 Com. Reg. 16882 (Aug. 23, 1999) (correcting the certification date); Adopted 21 Com. Reg. 16851 (July 23, 1999); Emergency and Proposed 21 Com. Reg. 16649 (Apr. 19, 1999) (effective for 120 days from Mar. 29, 1999).

Commission Comment: The original paragraphs were not designated. The Commission designated subsections (a) and (b).

### **§ 20-40.2-136 Re-application**

If an insurer serves notice to the applicant and discloses an intent to refuse to issue a renewal policy pursuant to § 20-40.2-134 and the applicant is unable to procure insurance in the voluntary market from another insurance provider, re-application may be made to the plan. Such application and subsequent assignment shall be considered a new application and a new assignment to the designated insurer.

Modified, 1 CMC § 3806(c), (f).

History: 21 Com. Reg. 16882 (Aug. 23, 1999) (correcting the certification date); Adopted 21 Com. Reg. 16851 (July 23, 1999); Emergency and Proposed 21 Com. Reg. 16649 (Apr. 19, 1999) (effective for 120 days from Mar. 29, 1999).

### **§ 20-40.2-138 Relief under Tariff**

In the calculation of the applicable insurance premium on any risk under the plan, an insurer shall:

(a) Rate and charge an applicant who has accumulated penalty points by using the corresponding amounts of penalty set forth in the rate modifications contained in § 20-40.2-112 in addition to the applicable rates set forth in a tariff approved by the Insurance Commissioner.

(b) Apply a surcharge up to 30% in addition to the applicable rates set forth in an current approved tariff whenever an applicant applies for automobile insurance coverage for any vehicle modified structurally or mechanically to enhance or hamper performance.

Modified, 1 CMC § 3806(c), (f).

History: 21 Com. Reg. 16882 (Aug. 23, 1999) (correcting the certification date); Adopted 21 Com. Reg. 16851 (July 23, 1999); Emergency and Proposed 21 Com. Reg. 16649 (Apr. 19, 1999) (effective for 120 days from Mar. 29, 1999).

### **§ 20-40.2-140 Appeal**

The following persons may file an appeal with the Commissioner under the following circumstances:

(a) Any applicant who is denied motor vehicle insurance coverage in the voluntary market or denied automobile liability insurance under the assigned risk plan; the denials thereof that are asserted to be in violation of any applicable statute, regulation, order or rule.

(b) Any insured who is denied motor vehicle insurance coverage in the voluntary market or denied automobile liability insurance under the assigned risk plan; the denials thereof that are asserted to be in violation of any applicable statute, regulation, order or rule.

(c) Any applicant, insured, or insurer who is adversely affected by any decision, order, ruling, rule or sanction of the Commissioner that is asserted to be in violation of any applicable statute, regulation, order or rule.

Modified, 1 CMC § 3806(f).

History: 21 Com. Reg. 16882 (Aug. 23, 1999) (correcting the certification date); Adopted 21 Com. Reg. 16851 (July 23, 1999); Emergency and Proposed 21 Com. Reg. 16649 (Apr. 19, 1999) (effective for 120 days from Mar. 29, 1999).

#### **§ 20-40.2-142 Procedure for Appeal**

The Commonwealth Administrative Procedure Act [1 CMC §§ 9101, et seq.] and the Commonwealth Insurance Act [4 CMC §§ 7101, et seq.] shall apply to any appeal taken by an applicant or an insured or an insurer, and will be supplemented by the following procedural rules:

(a) Any applicant or insured who appeals an action or decision of an insurer shall:

(1) Submit two copies of the application for automobile insurance in question to the Insurance Commissioner within ten working days;

(2) Submit, after receipt of the notice of denial or the notice of cancellation, a written appeal letter to the Insurance Commissioner and to the insurer within ten working days; and,

(3) Submit to the Insurance Commissioner two copies of official documentation of the driving record of the applicant or insured demonstrating the driving experience of the applicant or insured for a 36 month period preceding the date of application from the jurisdiction(s) where the applicant or insured has resided. For the purposes of this subsection “official documentation” may be in the form of an abstract of driving records from a Department of Public Safety, Department of Motor Vehicles, Bureau of Motor Vehicles, or appropriate governmental agency or subdivision tasked with collecting and maintaining driving records.

(b) Any applicant, insured, or insurer under the assigned risk plan who appeals any decision, order, ruling, rule, or sanction of the Commissioner shall:

(1) Submit, after receipt of the written decision, order, ruling, rule, or sanction of the Insurance Commissioner, a written appeal letter to the Insurance Commissioner within ten working days; containing a statement of facts setting forth the reasons for the appeal and a citation of any applicable statute, regulation, order or rule in support of the appeal; and,

(2) Submit a copy of the written decision, order, ruling, rule, or sanction of the Insurance Commissioner that is the subject of the appeal.

Modified, 1 CMC § 3806(f).

History: 21 Com. Reg. 16882 (Aug. 23, 1999) (correcting the certification date); Adopted 21 Com. Reg. 16851 (July 23, 1999); Emergency and Proposed 21 Com. Reg. 16649 (Apr. 19, 1999) (effective for 120 days from Mar. 29, 1999).

#### **§ 20-40.2-144 Decision on Administrative Appeal**

(a) The Commissioner or his delegate shall render a final administrative decision on administrative appeals filed by an applicant, an insured, or an insurer pursuant to the provisions of § 20-40.2-140 and § 20-40.2-142. This final administrative decision shall be rendered within 30 days of receipt of the written appeal letter or within 30 days of the closing of the record of an administrative hearing. Failure to render the decision within 30 days shall not affect the validity of the ruling on the administrative appeal.

(b) The Commissioner or his delegate shall schedule an administrative hearing within ten days of the receipt of a written appeal letter. The Commissioner or his delegate shall render a decision and issue an appropriate order sustaining or reversing or modifying the appealed denial or cancellation or non-renewal of automobile insurance coverage or assignment of risk under the assigned risk plan.

Modified, 1 CMC § 3806(c), (f).

© 2009 by The Commonwealth Law Revision Commission

History: 21 Com. Reg. 16882 (Aug. 23, 1999) (correcting the certification date); Adopted 21 Com. Reg. 16851 (July 23, 1999); Emergency and Proposed 21 Com. Reg. 16649 (Apr. 19, 1999) (effective for 120 days from Mar. 29, 1999).

Commission Comment: The original paragraphs were not designated. The Commission designated subsections (a) and (b).

### **§ 20-40.2-146 Examination**

At such times as the Commissioner shall deem necessary and proper, s/he may cause an examination of any insurer to participate in the plan.

Modified, 1 CMC § 3806(f).

History: 21 Com. Reg. 16882 (Aug. 23, 1999) (correcting the certification date); Adopted 21 Com. Reg. 16851 (July 23, 1999); Emergency and Proposed 21 Com. Reg. 16649 (Apr. 19, 1999) (effective for 120 days from Mar. 29, 1999).

## **Part 200 - The Licensing of Insurance Providers that Provide Motor Vehicle Liability Insurance**

### **§ 20-40.2-201 Definitions**

(a)(1) “Insurance Provider” means any person, business, partnership, corporation, or any other entity which sells, underwrites, or in any way provides other persons or businesses with liability insurance in relation to the operation of any motor vehicle(s) in the Commonwealth.

(2) For purposes of this subchapter, an insurance provider means an insurer, as defined under 4 CMC § 7103(a),(h), or (i).

(b)(1) “Satisfactory Evidence of Minimum Motor Vehicle Liability Insurance” shall mean valid documentary evidence of minimum liability insurance required by this Act, containing such information and printed on such form as required by the rules and regulations promulgated by the Insurance Commissioner for these purposes.

(2) For purposes of this subchapter, “Satisfactory Evidence of Minimum Motor Vehicle Liability Insurance” means a document, which may be referred to as an “insurance card,” issued by a duly licensed insurance provider, containing at a minimum, the following:

Name of Insurance Provider:

Address: (if applicable)

Name of General Agent: (if applicable)

Address:

Name of Insured:

Policy Number:

Inception Date & Expiration Date:

Vehicle Information:

Vehicle Identification Number:

License Plate Number:

Year:

Make:

Model:

(3) A signature block on the face of such insurance card shall indicate “authorized signature,” which, once signed, shall constitute coverage and compliance with the minimum liability insurance. In addition, the wording, “This insurance card complies with Public Law (PL) 11-55,” shall also be included on the face of the insurance card.

(c) “Letter of Declination” means a document issued by an insurance provider to an applicant for minimum liability insurance in the case where an insurance provider declines to provide said minimum liability insurance. At a minimum, the document shall contain the following:

- (1) Name of applicant for insurance:
- (2) Address:
- (3) Name of the insurance provider issuing the letter of declination, or in the of a general agent, on behalf of the insurance provider for which a letter of declination is issued.
- (4) Where applicable, the particulars of the motor vehicle(s) for which the declination is being issued.
- (5) A statement of the reason(s) for such declination. In cases where a declination is issued for reason(s) that a particular risk is not within a carrier’s underwriting guidelines, a detailed statement, to the effect, shall be provided.
- (6) In the case that a general agent (GA) represents more than one insurance provider, the GA shall not issue more than one letter of declination to the same applicant for insurance.

(d) “Insurance Commissioner” means the insurance commissioner established by 4 CMC § 7104, as amended.

(e) “Motor Vehicle” means every self-propelled vehicle which is designed and required to be licensed for use upon a highway, including trailers and semi-trailers designed for use with such vehicles, and shall include motorcycles, mopeds, and powered scooters.

(f) “Minimum Liability Coverage” means an insurance policy which provides not less than the following coverage: \$15,000 for bodily injury or death of any one person in any one accident; \$30,000 for the bodily injuries or deaths of all persons involved in any one accident; \$15,000 for injury, damage or destruction of property in any one accident.

(g) “Regulation of Insurance Providers” means no person shall engage in the business of providing any kind of motor vehicle liability insurance for the operation of any motor vehicle within the Commonwealth unless they have a valid insurance provider’s license, issued by the Insurance Commissioner.

Modified, 1 CMC § 3806(d), (e), (f).

History: 21 Com. Reg. 16882 (Aug. 23, 1999) (correcting the certification date); Adopted 21 Com. Reg. 16851 (July 23, 1999); Emergency and Proposed 21 Com. Reg. 16649 (Apr. 19, 1999) (effective for 120 days from Mar. 29, 1999).

Commission Comment: The original paragraphs of subsections (a), (b) and (c) were not designated. The Commission designated subsections (a)(1) and (a)(2), (b)(1) and (b)(2) and (c)(1) through (c)(6).

#### **§ 20-40.2-205 Application for Insurance Provider License**

(a) An applicant shall complete an application for insurance provider license prescribed by the Insurance Commissioner and is hereby incorporated as form IP-01, and enclosed as exhibit A.

(b) The applicable fee for such license shall be \$250, which shall be non-refundable.

(c) An applicant shall appoint a general agent, where applicable, and the regulation of such appointment shall be in accordance with 4 CMC, division 7.

Modified, 1 CMC § 3806(f).

History: 21 Com. Reg. 16882 (Aug. 23, 1999) (correcting the certification date); Adopted 21 Com. Reg. 16851 (July 23, 1999); Emergency and Proposed 21 Com. Reg. 16649 (Apr. 19, 1999) (effective for 120 days from Mar. 29, 1999).

#### **§ 20-40.2-210 Filing of Quarterly and Annual Reports**

- (a) All insurance provider licensees shall, no later than the twentieth day following the end of a calendar quarter, file with the Insurance Commissioner business written on the assignment of eligible risk (ER) under the assigned risk plan (ARP).
- (b) The format for such filing shall contain, at a minimum, the following:
  - (1) Name of insurance provider
  - (2) Direct premiums written
  - (3) Direct losses incurred
  - (4) The period for which the report is being provided.
- (c) All other statutory filing requirements, in accordance with 4 CMC, division 7, apply under this section.
- (d) All other requirements, as set forth under § 20-40.2-128 of the ARP apply under this section.

Modified, 1 CMC § 3806(f).

History: 21 Com. Reg. 16882 (Aug. 23, 1999) (correcting the certification date); Adopted 21 Com. Reg. 16851 (July 23, 1999); Emergency and Proposed 21 Com. Reg. 16649 (Apr. 19, 1999) (effective for 120 days from Mar. 29, 1999).

Commission Comment: The original final three paragraphs were not designated. The Commission designated subsections (b) through (d).

#### **§ 20-40.2-215 Applications and Forms**

- (a) Application to the ARP
  - (1) For purposes of application to the ARP, an applicant shall execute form IP-02, incorporated as exhibit B.
  - (2) In addition, an applicant shall also include in such application the following:
    - (i) Three letters of declination issued by duly licensed insurance provider licensees.
    - (ii) Owner's and/or operator's traffic abstract, as issued by the Bureau of Motor Vehicles for a fee.
    - (iii) Owner's and/or operator's traffic record, as issued by the CNMI Superior Court for a fee.
- (b) Assignment of Risk Form
  - (1) For purposes of the assignment of an ER to an insurer, the Office of the Insurance Commissioner shall issue to an applicant to the ARP, form IP-03, incorporated as exhibit C.
  - (2) In addition, such issuance shall include the following:
    - (i) The ARP application
    - (ii) The driving record and the accident record (as enumerated in § 20-40.2-114 of the ARP) of the applicant and any person who, during the preceding 36 months, normally and usually drove or drives the motor vehicle(s) included in an ER.
- (c) Notification of Completed Assignment Form
  - (1) Upon the completion of an assignment of an ER, an insurance provider shall file, within five days, a notification of a completed assignment.
  - (2) At a minimum, the notification shall contain the following:
    - (i) The policy number
    - (ii) The inception and expiration date of the policy
    - (iii) The gross premium written, showing the base rate applicable to the type of the vehicle, and the calculation for any penalty points assessed on the assignment of the ER.

Modified, 1 CMC § 3806(e), (f).

History: 21 Com. Reg. 16882 (Aug. 23, 1999) (correcting the certification date); Adopted 21 Com. Reg. 16851 (July 23, 1999); Emergency and Proposed 21 Com. Reg. 16649 (Apr. 19, 1999) (effective for 120 days from Mar. 29, 1999).

Commission Comment: Not all of the original paragraphs in subsections (a), (b) and (c) were designated. The Commission designated subsections (a)(2), (b)(2), (c)(1) and (c)(2).

Form IP-03, referenced in subsection (b) and incorporated as exhibit C was not published with the proposed or adopted regulations.

**Exhibit A**  
**APPLICATION FOR INSURANCE PROVIDER LICENSE**

NEW

EXTENSION \_\_\_\_\_ Date: \_\_\_\_\_

TO THE INSURANCE COMMISSIONER OF THE COMMONWEALTH:

The \_\_\_\_\_ Company of \_\_\_\_\_, does hereby apply for authority to participate as an Insurance Provider for the year ending December 31, 19\_\_ to sell Minimum Liability Insurance in the Commonwealth, in accordance with Public Law 11-55.

The company further states that it will participate in the Assigned Risk Plan and is aware of and will comply with the rules and regulations governing that plan.

Name (please print or type) \_\_\_\_\_

Signature: \_\_\_\_\_

Title / Position: \_\_\_\_\_

Form IP-01

History: 21 Com. Reg. 16882 (Aug. 23, 1999) (correcting the certification date); Adopted 21 Com. Reg. 16851 (July 23, 1999); Emergency and Proposed 21 Com. Reg. 16649 (Apr. 19, 1999) (effective for 120 days from Mar. 29, 1999).

Commission Comment: This form was published after § 20-40.2-215 (former § 4 of the Insurance Provider Licensing Rules and Regulations) at 21 Com. Reg 16649, 16671 (Apr. 19, 1999).

**Exhibit B**

**APPLICATION TO THE ASSIGNED RISK PLAN (ARP)**

The undersigned, \_\_\_\_\_, hereby makes application to the CNMI Insurance Commissioner, in accordance with NMIAC § 20-40.2-114.

The particulars of the vehicle(s) for which motor vehicle liability insurance is sought are:

Vehicle Information:

Vehicle Identification Number:

License Plate Number:

Year:

Make:

Model:

In support of this application for assignment as an Eligible Risk (ER), I hereby submit the following:

\_\_\_\_\_ Three (3) Letters of Declination

\_\_\_\_\_ A copy of my traffic abstract (traffic record), as issued by the Bureau of Motor Vehicle

\_\_\_\_\_ A copy of my accident abstract (accident record), as issued by the CNMI Superior Court

\_\_\_\_\_ A copy of the traffic abstract (traffic record) of the person(s) who normally and usually drives or drove the motor vehicle(s), as issued by the Bureau of Motor Vehicles

\_\_\_\_\_ A copy of the accident abstract (accident record) of the person(s) who normally and usually drives or drove the motor vehicle(s) (traffic record), as issued by the CNMI Superior Court

Signature: \_\_\_\_\_

Date: \_\_\_\_\_

Form IP-02

Modified, 1 CMC § 3806(c).

History: 21 Com. Reg. 16882 (Aug. 23, 1999) (correcting the certification date); Adopted 21 Com. Reg. 16851 (July 23, 1999); Emergency and Proposed 21 Com. Reg. 16649 (Apr. 19, 1999) (effective for 120 days from Mar. 29, 1999).

Commission Comment: This form was published after § 20-40.2-215 (former § 4 of the Insurance Provider Licensing Rules and Regulations) at 21 Com. Reg 16649, 16672 (Apr. 19, 1999).

**SUBCHAPTER 20-40.3 NORTHERN MARIANAS INSURANCE ASSOCIATION WORKERS'  
COMPENSATION TARIFF AND UNDERWRITING MANUAL**

Subchapter Authority: 1 CMC § 2454; 4 CMC § 7105(b).

Subchapter History: Adopted 25 Com. Reg. 20860 (Aug. 22, 2003); Proposed 25 Com. Reg. 20261 (July 15, 2003).

Commission Comment: 1 CMC § 2451 originally created the Department of Commerce and Labor. 1 CMC § 2454 directs the Department to adopt rules and regulations regarding those matters over which it has jurisdiction.

Title 4, division 7 of the Commonwealth Code, 4 CMC §§ 7101-7509, codifies PL 3-107 (effective Feb. 24, 1984), the “Commonwealth Insurance Act of 1983,” and governs the insurance business in the Commonwealth. 4 CMC § 7104 creates the Insurance Commissioner of the Commonwealth with the powers and duties to administer the act and promulgate rules and regulations necessary for effectuating the act. 4 CMC §§ 7104 and 7105(b).

Executive Order 94-3 (effective August 23, 1994) reorganized the Commonwealth government executive branch, changed agency names and official titles and effected numerous other revisions. According to Executive Order 94-3 § 103:

Section 103. Department of Commerce.

The Department of Commerce and Labor is re-designated the Department of Commerce.

The full text of Executive Order 94-3 is set forth in the commission comment to 1 CMC § 2001.

**Part 001 - General Provisions**

**§ 20-40.3-001 Special Condition; Definition**

Rate: When reference is made to “rate” it shall refer to rate filed with and approved by the Office of the Insurance Commissioner.

History: Adopted 25 Com. Reg. 20860 (Aug. 22, 2003); Proposed 25 Com. Reg. 20261 (July 15, 2003).

**Part 100 - General Rules**

**§ 20-40.3-101 Workers' Compensation**

Policy forms means workers' compensation and employers' workers' compensation as used in the manual in this subchapter means workmen's compensation, workers' compensation or occupational disease.

Modified, 1 CMC § 3806(d), (f), (g).

History: Adopted 25 Com. Reg. 20860 (Aug. 22, 2003); Proposed 25 Com. Reg. 20261 (July 15, 2003).

Commission Comment: With the exception of “workmen's,” the Commission inserted the apostrophes in this section to correct manifest errors.



### **§ 20-40.3-105 Policy Forms**

Liability insurance policy, endorsements, information or declarations page as filed and approved by the Office of the Insurance Commissioner.

- (a) Endorsement forms - Pending analysis of carrier's endorsement wordings.

Modified, 1 CMC § 3806(f).

History: Adopted 25 Com. Reg. 20860 (Aug. 22, 2003); Proposed 25 Com. Reg. 20261 (July 15, 2003).

### **§ 20-40.3-110 Application of Manual Rules**

Rules in this subchapter apply separately to each policy.

Modified, 1 CMC § 3806(d), (f).

History: Adopted 25 Com. Reg. 20860 (Aug. 22, 2003); Proposed 25 Com. Reg. 20261 (July 15, 2003).

### **§ 20-40.3-115 Effective Date**

- (a) Manual - The manual in this subchapter takes effect upon the designated approval date of the Office of the Insurance Commissioner

- (b) Changes - The effective date of a change in any rule, classification or rate is after filing with the Office of the Insurance Commissioner is subject to the designated approval date of the same. Any change will be issued on a reprinted page and will be designated by a "\*".

Modified, 1 CMC § 3806(d), (f).

History: Adopted 25 Com. Reg. 20860 (Aug. 22, 2003); Proposed 25 Com. Reg. 20261 (July 15, 2003).

### **§ 20-40.3-120 Anniversary Rating Date**

- (a) Definition

The anniversary rating date is the effective month and day of the policy in effect and each annual anniversary thereafter unless a different date has been established by the Office of the Insurance Commissioner or the Workers' Compensation Commission.

- (b) Rewritten Policies - If a policy is canceled and rewritten by the same or another carrier, all rules, classifications and rates of the rewriting carrier, which were in effect as of the anniversary rating date, shall apply to the rewritten policy until the next anniversary rating date.

Modified, 1 CMC § 3806(g).

History: Adopted 25 Com. Reg. 20860 (Aug. 22, 2003); Proposed 25 Com. Reg. 20261 (July 15, 2003).

Commission Comment: In subsection (a), the Commission changed "Workers" to "Workers'" to correct a manifest error.

### **§ 20-40.3-125 Loss Cost Values**

Loss cost values are the portion of the rate that covers projected claim payments and loss adjusting expenses expected for each \$100 of payroll.

History: Adopted 25 Com. Reg. 20860 (Aug. 22, 2003); Proposed 25 Com. Reg. 20261 (July 15, 2003).

## **Part 200 - Explanation of Coverage and Methods of Insuring**

### **§ 20-40.3-201 Part One; Workers' Compensation Insurance**

#### (a) Description of Worker's Compensation Coverage

Workers' compensation insurance provides coverage for the statutory obligation of an employer to provide benefits for employees as required by Public Law 6-33.

#### (b) Longshore and Harbor Worker's Compensation Act Coverage (where applicable)

Alongshore and Harbor Worker's Compensation Act insurance may be provided only by attaching the Longshore and Harbor Workers' Compensation Act coverage endorsement (WC 00 01 06) to an approved policy form. Refer to part 1000.

Modified, 1 CMC § 3806(c), (f).

History: Adopted 25 Com. Reg. 20860 (Aug. 22, 2003); Proposed 25 Com. Reg. 20261 (July 15, 2003).

Commission Comment: In subsection (a), the Commission changed "Workers" to "Workers'" to correct a manifest error.

### **§ 20-40.3-205 Part Two; Employers' Liability Insurance**

#### (a) Description of Employers' Liability Coverage

(1) Employers' liability insurance provides coverage for the legal obligation of an employer to pay damages because of bodily injury by accident or disease, including resulting death sustained by an employee. Employers' liability coverage applies only if the injury or death of an employee arises out of and in the course of employment and is sustained:

(i) In the United States of America, its territories or possessions, or Canada, or

(ii) While temporarily outside the United States of America, its territories or possessions, or Canada, if the injured employee is a citizen or resident of the United States or Canada; but suits for damages and actions on judgments must be in or from a court of the United States, its territories or possessions or Canada.

(2) Unless specifically excluded, part two employers' liability insurance provides coverage for the liability of an employer under admiralty law and the Federal Employers' Liability Act.

#### (b) Employers' Liability for Diseases

Employers' liability insurance for diseases not covered by a workers' compensation law or an occupational disease law is provided by the standard policy.

#### (c) Admiralty Law or Federal Employers' Liability Act

Employers' liability insurance for liability of an employer under admiralty law or Federal Employers' Liability Act is provided by the policy. Refer to part 1100 for rules and endorsements to cover, limit or excluded this exposure.

#### (d) Employers' Liability Insurance with Workers' Compensation Insurance

Employers' liability insurance written with workers' compensation insurance is provided by the policy.

#### (e) Employers' Liability Insurance without Workers' Compensation

Employers' liability insurance without workers' compensation insurance is permissible only where all employees of the employer are excluded from a workers' compensation law by requirement or have elected not to be subject to the law.

Modified, 1 CMC § 3806(c), (f), (g).

History: Adopted 25 Com. Reg. 20860 (Aug. 22, 2003); Proposed 25 Com. Reg. 20261 (July 15, 2003).

Commission Comment: The original paragraphs of subsection (a) were not designated. The Commission designated subsections (a)(1) and (a)(2).

The Commission inserted apostrophes throughout this section as appropriate.

### **§ 20-40.3-210 Part Three; Voluntary Compensation Insurance**

(a)(1) Voluntary compensation insurance does not provide workers' compensation coverage and is not available to employments subjected to a workers' compensation law. This insurance affords the benefits of a designated compensation law as if the affected employees were subject to that law, even though the law does not require payment of benefits to such employees.

(2) Voluntary compensation insurance shall not provide compensation, medical or other benefits in excess of the statutory requirements in the workers' compensation law designated in the voluntary compensation and employer's liability coverage endorsement.

#### **(b) How Provided**

Voluntary compensation insurance is provided by attaching a voluntary compensation and employers' liability coverage endorsement as filed with and approved by the Office of the Insurance Commissioner to the standard policy. Refer to part 700 for rules and rates.

Modified, 1 CMC § 3806(c), (f), (g).

History: Adopted 25 Com. Reg. 20860 (Aug. 22, 2003); Proposed 25 Com. Reg. 20261 (July 15, 2003).

Commission Comment: The original paragraphs of subsection (a) were not designated. The Commission designated subsections (a)(1) and (a)(2).

The Commission inserted apostrophes throughout this section as appropriate.

### **Part 300 - Policy Preparation; Insured, Policy Period and State of Operations Items 1, 2 and 3.A of the Information or Declarations Page**

#### **§ 20-40.3-301 Explanation of Terms**

(a) Employer - Employer may be an individual, partnership, joint venture, corporation, association, or a fiduciary such as a trustee, receiver or executor, or other entity.

(b) Insured - The insured is the employer designated in item 1 of the information or declarations page.

(c) Majority Interest - As may be more defined under the experience rating plan manual, the majority interest usually applies to:

- (1) The majority of voting stocks, or
- (2) The majority of members directors if there is no voting stock, or
- (3) Majority participation of general partners in profits of a partnership.

(d) Risk - The term applies to all insured application of one employer within a state.

Modified, 1 CMC § 3806(f).

© 2009 by The Commonwealth Law Revision Commission

History: Adopted 25 Com. Reg. 20860 (Aug. 22, 2003); Proposed 25 Com. Reg. 20261 (July 15, 2003).

**§ 20-40.3-305 Name, Address and Other Workplaces of Insured; Item 1**

- (a) Combination of Legal Entities - Separate legal entities may be insured in one policy only if the same persons, or group of persons, owns the majority interest in such entities. Classification shall be applied separately to each legal entity.
- (b) Single Location - All operations of any one employer at a single location shall be insured in one policy.
- (c) Multiple Locations - All locations and operations of the employer in the CNMI shall be insured in one policy if required by the state workers' compensation law.

Modified, 1 CMC § 3806(g).

History: Adopted 25 Com. Reg. 20860 (Aug. 22, 2003); Proposed 25 Com. Reg. 20261 (July 15, 2003).

Commission Comment: In subsection (a), the Commission changed "owners" to "owns" to correct a manifest error. In subsection (c), the Commission inserted an apostrophe in "workers."

**§ 20-40.3-310 Policy Period; Item 2**

- (a) Normal Policy Period - The normal policy period is one year. A policy may be issued for any period not longer than three years.
- (b) Annual Policies - The manual rules are based on a policy period of one year. A policy issued for a period not longer than one year and 16 days is treated as a one-year policy.
- (c) Policies Longer than One Year - A policy issued for a period longer than one year and 16 days, other than a three year fixed rate policy, is treated as follows:
  - (1) The policy period is divided into consecutive 12 months units.
  - (2) If the policy period is not a multiple of 12 months, use the policy period endorsement to specify the first or last unit of less than 12 months as a short-term policy.
  - (3) All manual rules and procedures apply to each such unit as if a separate policy had been issued for each unit.

Modified, 1 CMC § 3806(f).

History: Adopted 25 Com. Reg. 20860 (Aug. 22, 2003); Proposed 25 Com. Reg. 20261 (July 15, 2003).

**Part 400 - Classification; Item 4 of the Information or Declaration Page**

**§ 20-40.3-401 General Information**

The object of the classification system is to group employers into classifications so that the rate for each classification reflects the exposures common to those employers. Subject to certain exceptions described later in this part, it is the business of the employer within a state that is classified, not the separate employments, occupations or operations within the business.

Modified, 1 CMC § 3806(d).

History: Adopted 25 Com. Reg. 20860 (Aug. 22, 2003); Proposed 25 Com. Reg. 20261 (July 15, 2003).

© 2009 by The Commonwealth Law Revision Commission

**§ 20-40.3-405 Explanation of Classifications**

(a) Basic Classifications

(1) All classifications in the manual in this subchapter are basic classifications, other than the standard exception classifications. Basic classifications describe the business of an employer, such as:

Business	Classification
Manufacture of a Product	Furniture Mfg.
A Process	Engraving
Construction or Erection	Carpentry
A General Type or Character of Business	Hardware Store
A Service	Beauty Parlor

(2) Classifications are listed alphabetically in the classification section of this subchapter. Notes following a classification are part of that classification.

(b) Standard Exception Classifications

Some occupations are common to so many business that special classifications have been established for them. They are called standard exception classifications. Employees within the definition of a standard classification are not included in the basic classification unless the basic classification specifically includes those employees. The standard exception classifications are defined below:

(1) Clerical Office Employees: Code 8810: are employees engaged exclusively in bookkeeping, in record keeping, in correspondence, or in other office work where books and other records are kept or correspondence is conducted. This classification applies only to employees who work in areas physically separated from other operations by structural partitions and in which work of clerical office employees as defined in this part is performed exclusively. If such an employee has any other duty, the total payroll of that employee shall be assigned to the highest rated classification of operations to which the employee is exposed.

(2) Drafting Employees: Code 8810: are employees engaged exclusively in drafting and confirmed to office work. The entire payroll of any such employees exposed to any other operations shall be assigned to the highest rated classification of operations to which they are exposed.

(3) Drivers, Chauffeurs and Their Helpers: Code 7380: are employees engaged in such duties on or in connection with a vehicle. This classification also includes garage employees, stablehands and employees using bicycles in their operations.

(4) Salesperson, Collectors or Messengers - Outside - Code 8742 - are employees engaged in such duties away from the employer's premises. This classification shall not apply to employees who deliver merchandise. Employees who deliver merchandise shall be assigned to the classification applicable in that risk to drivers even though they collect or sell. If they walk or use public transportation, they shall be assigned to the governing classification.

(c) General Inclusions

(1) Some operations appear to be separate businesses, but they are included within the scope of all classifications other than the standard exception classifications. These operations are called general inclusions and are:

(i) Commissaries and restaurants for the insured's employees. Such operations shall be assigned to a separate classification if conducted in connection with construction, erection, lumbering or mining operations.

(ii) Manufacture of containers such as bags, barrels, bottles, boxes, cans, cartons or packing cases by the employer for use in the operations insured by the policy.

(iii) Hospital or medical facilities operated by the insured for its employees.

(iv) Maintenance or repair of the insured's buildings or equipment by the insured's employees.

(v) Printing or lithographing by the insured on its own products.

(2) A general inclusion operation shall be separately classified only if:

- (i) Such operation shall be separate and distinct business of the insured as provided in § 20-40.3-415 below, or
- (ii) It is specifically excluded by the classification wording, or
- (iii) The principal business is described by a standard exception classification.

(d) General Exclusions

Some operations in a business are so unusual that they are excluded from basic classifications. They are classified separately unless specifically included in the basic classification wording. These operations are called general exclusions and are:

- (1) Aircraft operation - all operations of the flying and ground crew.
- (2) New construction or alterations by the insured's employees.
- (3) Stevedoring, including tallying and checking incidental to stevedoring.
- (4) Sawmill operations - sawing logs into lumber by equipment such as circular carriage or band carriage saws, including operations incidental to the sawmill.
- (5) Employer operated day care services.

(e) Governing Classification

The governing classification at a specific job or location is the classification, other than a standard exception classification, that produces the greatest amount of payroll.

Modified, 1 CMC § 3806(c), (d), (f), (g).

History: Adopted 25 Com. Reg. 20860 (Aug. 22, 2003); Proposed 25 Com. Reg. 20261 (July 15, 2003).

Commission Comment: The original paragraphs of subsection (a) were not designated. The Commission designated subsections (a)(1) and (a)(2).

In subsection (d)(4), the Commission inserted the word "as" after "such" to correct a manifest error.

**§ 20-40.3-410 Classification Wording**

(a) Captions

Captions which precede related classifications are a part of the classification wording.

(b) Notes

Notes following a classification are part of that classification and control its use.

Example of (a) and (b):

Store: Fruit or vegetable - retail  
No handling of fresh meats.

In this example, "STORE" is the caption and "No handling of fresh meats" is the note. Both are part of the classification wording.

(c) Words and Phrases

(1) All Employees, All Other Employees, All Operations, or All Operations to Completion

If a classification includes any of these phrases, no other classification shall be assigned to that risk unless specifically directed by classification wording, even though some operations or employees are at a separate location.

(i) Exceptions to (c)(1) above

(A) Classifications describing an operation which is a standard exception or general exclusion shall apply.

- (B) Any separate and distinct business shall be separately classified when conditions of § 20-40.3-415 exist.
- (ii) Examples of (c)(1) above
- (A) Code 9186 - Circus - Traveling - All Employees  
All of the employees of such a risk shall be assigned to this classification.
- (B) Code 8385 - Bus Company - Garage Employees  
Code 7382 - Bus Company - All Other Employees  
All employees, other than garage employees, shall be assigned to code 7382 in such a risk.
- (C) Code 5402 - Greenhouse Erection - All Operations to Completion  
All work for erection of a greenhouse shall be assigned to code 5402.
- (D) Code 6005 - Jetty Construction - All Operations to Completion  
All work for the construction of a jetty from beginning to end of the project shall be assigned to code 6005.
- (E) These examples are subject to exceptions (c)(1)(i)(A) and (B) above.
- (2) Clerical means clerical office employees and drafting employees as defined in § 20-40.3-405(b)(1) and (2).
- (3) Drivers means drivers, chauffeurs and their helpers as defined in § 20-40.3-405(b)(3).
- (4) Includes or &: If a classification contains “includes” or “&,” the operations or employees which are so designated shall not be assigned to a separate classification even though such operations or employees are described by another classification or are at a separate location.
- (i) Example of (c)(4) above  
Code 5183 - Insulation - Steam Pipe or Boiler & Drivers - Includes Shop. This classification also applies to shop operations and drivers.
- (5) No or Not: A classification which includes a restrictive phrase beginning with “no” or “not” shall not apply to any risk which conducts any operation described in the restrictive phrase.
- (i) Exceptions to (c)(5) above
- (A) For mercantile business, such as dealers or stores, or for mining businesses, this rule applies to each location.
- (B) For construction operations, this rule applies to each job or location.
- (ii) Example of (c)(5) above  
Code 8106 - Steel Merchant - Not Applicable to Junk Dealers.  
This classification shall not be assigned to a steel merchant which also deals in junk. That risk shall be assigned to code 8263 - Junk Dealers.
- (6) NOC means not otherwise classified. A classification designated “NOC” shall apply only if no other classification more specifically described the insured business.
- (7) Or: Or also means and.
- (i) Example of (c)(7) above  
Code 2586 - Cleaning or Dyeing  
Cleaning or dyeing also means cleaning and dyeing.
- (8) Salesperson means salespersons, collectors and messengers as defined in § 20-40.3-405(b)(4).
- (9) To Be Separately Rated: If a classification requires operations or employees “to be separately rated,” all such operations or employees shall be separately classified when the conditions of § 20-40.3-415(d) exist.
- (i) Example of (c)(9) above  
Code 4131 - Mirror Mfg. - Mfg. of glass, frames, backs or handles to be separately rated.  
In a risk which makes mirrors, the work of producing glass, or fabricating frames, backs or handles shall be separately classified.

Modified, 1 CMC § 3806(c), (f), (g).

History: Adopted 25 Com. Reg. 20860 (Aug. 22, 2003); Proposed 25 Com. Reg. 20261 (July 15, 2003).

Commission Comment: The original paragraphs of subsection (c)(1) were not designated. The Commission designated subsections (c)(1)(i) and (ii).

In subsection (a), the Commission changed “precedes” to “precede” to correct a manifest error.

## § 20-40.3-415 Assignment of Classifications

(a) Object of Classification Procedure

The object of the classification procedure is to assign the one basic classification which best describes the business of the employer. Subject to certain exceptions described in this part, each classification includes all the various types of labor found in a business. It is the business which is classified, not the individual employments, occupations or operations within a business. Additional classifications shall be assigned as provided below.

(b) Classification of Separate Legal Entities

Each separate legal entity insured under a policy shall be assigned to the basic classification which describes its entire business within a state. This assignment procedure applies even if the business is conducted at more than one location.

(c) Business Not Described by a Manual Classification

If there is no classification which describes the business, the classification which most closely describes the business shall be assigned. Refer to § 20-40.3-425(b).

(d) Assignment of Additional Basic Classification

(1) If a classification requires operations or employees to be separately rated or if an employee operates a secondary business, an additional basic classification shall be assigned only if all the following conditions exist:

(i) The secondary business is conducted as a separate undertaking or enterprise. This condition does not apply if the classification wording requires the assignment of an additional classification for specified employees or operations. For example, some classifications direct that certain operations are to be separately rated.

(ii) Separate payroll records are maintained for each business.

(iii) Each business is physically separated by structural partitions and is conducted without interchange of labor.

(iv) The assignment of the separate classification is not prohibited by wording of that classification or any other classification assigned to the policy.

(2) If all of the above conditions do not exist:

(i) All employees shall be assigned to the classification applicable to the principal business if the classification for the principal business carries a rate which is the same or higher than that for the classification of the secondary business.

(ii) The secondary business shall be assigned to the classification which describes that business if such classification carries a rate higher than that applicable to the principal business.

(iii) The principal business is the business with the greatest amount of payroll, excluding standard exception or general exclusion operations.

(3) Policies with more than one classification may involve employees working in connection with several classifications. Payroll assignment for such employees is subject to § 20-40.3-420.

(e) Classifications Limited to Separate Businesses

(1) The assignment of certain classifications is limited by their notes to separate and distinct businesses because they describe an operation which frequently is an integral part of a business described by another classification.

(2) Example of (e)(1)above

Code 4511 - Analytical Chemist

Includes laboratory and outside employees. Shall not be assigned to a risk engaged in operations described by another classification unless the operations subject to code 4511 are conducted as a separate and distinct business.

(f) Standard Exception and General Exclusion Operations

Standard exception and general exclusion operations shall be separately classified unless specifically included in a classification assigned to the business. Classifications for standard exception and general exclusion operations apply even if the basic classification includes phrases such as "all employees" or "all operations."

(g) Business Described by a Standard Exception Classification

(1) If the principal business is described by a standard exception classification, the operations of all employees not included in the definition of the standard exception classification shall be assigned to the separate basic classification which most closely describes their operations.



(2) Example of (g)(1) above  
The insured is a bank:

Employees	Assignment
Clerical Office	Code 8810 - Clerical Office Employees
Maintenance, Security, Elevator Operators	Code 9015 - Buildings NOC operation by owner or lessee
Cafeteria or Restaurant	Code 9079 - Restaurant NOC

(h) Construction or Erection Operations

(1) Each distinct type of construction or erection operation at a job or location shall be assigned to the classification which specifically describes such operation provided separate payroll records are maintained for each operation.

(2) Any such operation for which separate payroll records are not maintained shall be assigned to the highest rated classification which applies to the job or location where the operation is performed.

(3) A separate construction or erection classification shall not be assigned to any operation which is within the scope of another classification assigned to such a job or location.

(i) Mercantile Businesses

For mercantile businesses, such as stores or dealers, the classification is determined separately for each location.

(j) Farm Operations

For assignment of classifications for farm operations, refer to the classification section of this subchapter.

Modified, 1 CMC § 3806(c), (d), (f), (g).

History: Adopted 25 Com. Reg. 20860 (Aug. 22, 2003); Proposed 25 Com. Reg. 20261 (July 15, 2003).

Commission Comment: The original paragraphs of subsections (d), (e), (g) and (h) were not designated. The Commission designated subsections (d)(1) through (d)(3), (e)(1) and (e)(2), (g)(1) and (g)(2), and (h)(1) through (h)(3).

In subsection (f), the Commission moved the final period inside of the closing quotation mark.

### **§ 20-40.3-420 Payroll Assignment; Multiple Classifications**

(a) Miscellaneous Employees

(1) Miscellaneous employees are those who perform duties conducted in common for separate operations which are subject to more than one basic classification. The payroll of any miscellaneous employees shall be assigned to the governing classification. Such employees include general superintendents, maintenance or power plant employees, elevator operators, shipping or receiving clerks and yard workers.

(2) Example of (a)(1) above

Four story factory - two floors general job machine shop and two floors plastic goods manufacturing:

(i) Code 3632 - Machine Shop NOC applies to machine shop.

(ii) Code 4452 - Plastic Mfg, applies to plastic goods manufacturing.

(iii) The elevator operators, porters and cleaners serving all four floors shall be assigned to the governing classification.

(b) Interchange of Labor

(1) Some employees, who are not miscellaneous employees, may perform duties directly related to more than one classification. An example is an employee who from time to time interchanges between operations subject to more than one classification. When there is such an interchange of labor, the entire payroll of employees who interchange shall be assigned to the highest rated classification representing any part of their work.

(2) Exception to (b)(1) above

For construction, erection, stevedoring or part-time aircraft operations in connection with code 7421 - aircraft operations, the payroll of an individual employee may be divided and allocated to more than one such classification, provided the entries on the original records of the insured disclose and allocation of each such individual employee's payroll. An estimated or percentage allocation of payroll is not permitted.

Modified, 1 CMC § 3806(c), (f).

History: Adopted 25 Com. Reg. 20860 (Aug. 22, 2003); Proposed 25 Com. Reg. 20261 (July 15, 2003).

Commission Comment: The original paragraphs of subsections (a) and (b) were not designated. The Commission designated subsections (a)(1) and (a)(2) and (b)(1) and (a)(2).

#### **§ 20-40.3-425 How to Show Classification in Item 4 of the Information or Declarations Page**

(a) **Business Described by a Classification**

For a business described by a classification, show the classification wording, with or without notes, show any caption which precedes several related classifications and show the code number.

(b) **Business Not Described by Any Classification**

(1) For a business not described by any classification, show wording which describes the business. With this wording, show the code number of the classification which most closely describes the business. Such an assignment is controlled by all of the rules applicable to the assigned classification.

(2) Example of (b)(1) above

An employer manufactures textile lamp shades. There is no classification in the manual in this subchapter which described or mentions lamp shade manufacturing. The classification in the manual which most closely described lamp shade manufacturing is code 2501 - furnishing goods mfg., which, states in its footnote that it includes wearing apparel, draperies or household furnishings manufactured from textile fabrics. Consequently, code 2501 is applicable and therefore the information or declaration page shall show:

Lamp Shade Mfg. - from textiles - 2501

All of the rules pertaining to the assigned classification apply to such a business. For example, if drivers are included in the assigned classification, they shall be included in the wording used to describe the business.

Modified, 1 CMC § 3806(c), (d), (f).

History: Adopted 25 Com. Reg. 20860 (Aug. 22, 2003); Proposed 25 Com. Reg. 20261 (July 15, 2003).

Commission Comment: The original paragraphs of subsection (b) were not designated. The Commission designated subsections (b)(1) and (b)(2).

#### **Part 500 - Premium Basis; Item 4 of the Information Page**

##### **§ 20-40.3-501 Basis of Premium; Total Remuneration**

Premium shall be computed on the basis of the total remuneration paid or payable by the insured for services of employees covered by the policy.

History: Adopted 25 Com. Reg. 20860 (Aug. 22, 2003); Proposed 25 Com. Reg. 20261 (July 15, 2003).

##### **§ 20-40.3-505 Remuneration; Payroll**

Remuneration means money (reference to PL 6-33).

© 2009 by The Commonwealth Law Revision Commission

Modified, 1 CMC § 3806(g).

History: Adopted 25 Com. Reg. 20860 (Aug. 22, 2003); Proposed 25 Com. Reg. 20261 (July 15, 2003).

Commission Comment: The Commission inserted the final period.

#### **§ 20-40.3-510 Estimated Payrolls**

(a) Estimated Payrolls by Classification

For each classification shown on the information or declaration page, the total estimated annual payroll shall be stated in the column headed "Premium Basis Total Estimated Annual Remuneration."

(b) Determination of Estimated Payrolls

Estimated payrolls shown on the information or declaration page shall reflect actual remuneration anticipated by the insured during the policy period. Such estimates shall be subject to substantiation by records or inspections.

Modified, 1 CMC § 3806(f).

History: Adopted 25 Com. Reg. 20860 (Aug. 22, 2003); Proposed 25 Com. Reg. 20261 (July 15, 2003).

#### **§ 20-40.3-515 Whole Dollars; Payrolls**

All payrolls shall be shown to the nearest dollar. A remainder of \$.50 shall be rounded to the next highest dollar.

History: Adopted 25 Com. Reg. 20860 (Aug. 22, 2003); Proposed 25 Com. Reg. 20261 (July 15, 2003).

### **Part 600 - Rates and Premium Determination; Item 4 of the Information Page**

#### **§ 20-40.3-601 Rates**

(a) Definition - The rate is the amount of premium for each \$100 of payroll.

(b) Manual Rate

The manual rate for each classification is shown after its code number on the rate pages.

(c) Authorized Rate

Authorized rate means the manual rate that has been approved by the Office of the Insurance Commissioner and the Worker's Compensation Commission.

(d) Show Rates in Item 4 of the Information or Declaration Page

For each classification shown in item 4, the manual rate or other authorized rate shall be stated in the column headed "rate per \$100 of remuneration."

Modified, 1 CMC § 3806(f), (g).

History: Adopted 25 Com. Reg. 20860 (Aug. 22, 2003); Proposed 25 Com. Reg. 20261 (July 15, 2003).

Commission Comment: In subsection (d), the Commission changed "rated" to "rate" to correct a manifest error.

#### **§ 20-40.3-605 Premium Determination**

(a) Premium for each classification shown in the policy is determined by multiplying the basis of premium by the rate.

(b) Example of (a) above

Payroll	=	\$90,000	
Rate	=		x1.50
Premium	=	\$ 1,350	
<u>\$90,000</u>	x	1.50	\$ 1,350
100			

Modified, 1 CMC § 3806(d).

History: Adopted 25 Com. Reg. 20860 (Aug. 22, 2003); Proposed 25 Com. Reg. 20261 (July 15, 2003).

Commission Comment: The original paragraphs were not designated. The Commission designated subsections (a) and (b).

### **§ 20-40.3-610 Whole Dollars; Premiums**

All premiums shall be shown to the nearest dollar. A remainder of \$.50 shall be rounded to the next higher dollar.

History: Adopted 25 Com. Reg. 20860 (Aug. 22, 2003); Proposed 25 Com. Reg. 20261 (July 15, 2003).

### **§ 20-40.3-615 Expense Constant**

(a) Explanation

The expense constant is a premium charge which applies to every policy in addition to the premium inclusive of loss constants. It covers expenses such as those for issuing, recording and auditing, which are common to all workers' compensation policies regardless of premium size.

(b) Amount of Expense Constant

An expense constant of \$\$50.00 is added to any policy generating an annual premium of less than \$300.00. In the event of policy cancellation, refer to part 900. For long term policies, refer to part 300.

(c) Premium Discount, Experience Rating, Merit Rating and Retrospective Rating

The expense constant is not subject to premium discount, experience rating modification, merit rating modification nor to retrospective rating adjustment.

(d) Minimum Premium

The expense constant is not included in the minimum premium for each classification and shall be added if the minimum premium becomes the final premium for the policy.

(e) Information Page

The expense constant shall be shown on the information or declaration page.

(f) Multiple Locations

When more than one location is insured on the same policy, the expense constant shall be applicable to the policy as a whole.

(g) Expense Constant; Mid-term Policy Change

The expense constant charged at the inception of the policy is not subject to change when another location is added mid-term to a policy.

Modified, 1 CMC § 3806(c), (f), (g).

History: Adopted 25 Com. Reg. 20860 (Aug. 22, 2003); Proposed 25 Com. Reg. 20261 (July 15, 2003).

Commission Comment: In subsection (a), the Commission inserted an apostrophe in “workers.”

### **§ 20-40.3-620 Minimum Premium**

(a) Explanation

The minimum premium is the lowest premium required in order to provide insurance under the policy. The minimum premium shall be stated on the information or declaration page on an estimated basis. It is the lowest total policy premium for a policy not longer than one year. For policies issued for a period over one year, refer to part 300.

(b) Location of Minimum Premium in Manual

The minimum premium for each classification is shown after its code number on the rate pages.

(c) How Determined

The minimum premium for a policy shall be determined as follows:

- (1) For a policy with only one classification, apply the minimum premium for that classification.
- (2) For a policy with two or more classifications, apply the highest minimum premium for any classification on the policy.

(d) Experience Rating or Merit Rating

The minimum premium is not subject to an experience rating modification or merit rating modification.

(e) Adjustment upon Audit

- (1) The minimum premium is subject to adjustment and shall be determined upon audit only on the basis of those classifications developing premium. Additionally, if a classification is incorrectly classified it may result in a decrease or increase of premium during policy term or upon year end audit of the policy.
- (2) If correction to the misclassification results in a lower premium, the decrease will be applied to the policy retroactively. If the correction results in an increase of premium, the increase will be applied to the policy according to the following schedule from the NCCI Rating Manual.
- (3) Where the insurer determines a corrected classification is needed:
  - (i) During the first 120 days of a policy term, the additional premium is applied retroactively to the entire policy period.
  - (ii) After 120 days but before the last 90 days of a policy term, the additional premium is applied pro-rata from date of discovery.
  - (iii) During the last 90 days of the policy term, the correct classification and additional premium will be applied only to the renewal policy.
- (4) If a change in classification is due to changes in the insured’s operations, the new classification will be applied pro-rata from date of change in the insured’s operations.
- (5) If a change in classification is needed because of an omission or misrepresentation by the insured or agent, the new classification will be applied retroactively.
- (6) For canceled policies, refer to part 900.

(f) Special Minimum Premiere Requirements

- (1) For increased limits of employers liability on a policy, refer to part 700.
- (2) For admiralty or federal employments, refer to part 1100.
- (3) For domestic workers, refer to part 1200.

(g) Employers Liability Policies

For a policy which provides only employers' liability insurance with increased limits, the minimum premium shall be increased by the factor which applies to the rates for that policy. Refer to part 700.

Modified, 1 CMC § 3806(c), (g).

History: Adopted 25 Com. Reg. 20860 (Aug. 22, 2003); Proposed 25 Com. Reg. 20261 (July 15, 2003).

Commission Comment: The original paragraphs of subsection (e) were not designated. The Commission designated subsections (e)(1) through (e)(6).

The Commission corrected an incorrect cross-reference in subsection (f)(3). In subsection (g), the Commission inserted an apostrophe in "employers" to correct a manifest error.

### **§ 20-40.3-625 Deposit Premium**

(a) When Payable

A deposit premium is payable at the inception of the policy. The deposit premium shall not be less than the minimum premium stated in the policy.

(b) Amount Payable - Annual Adjustment

For a policy which provides that the premium shall be adjusted upon audit after termination of an annual period, the deposit premium shall be the total estimated annual premium for that policy.

(c) When Credit Allowed

The deposit premium shall be credited in premium computation to the final earned premium adjustment or to the renewal policy. The deposit premium shall not be credited to any interim premium adjustment.

(d) Three Year Fixed Rate Policies

Three year fixed rate policies are not allowed in the CNMI. Premium for workers compensation coverage included under a special multi-peril policy or a business owner's policy shall be computed and charged on an annual basis.

Modified, 1 CMC § 3806(f).

History: Adopted 25 Com. Reg. 20860 (Aug. 22, 2003); Proposed 25 Com. Reg. 20261 (July 15, 2003).

### **§ 20-40.3-630 Premium Determination for Federal and Maritime Insurance**

Additional rating procedures are in parts 1000 and 1100 for insurance for employers subject to the Longshore and Harbor Workers' Compensation Act, the Federal Employer's Liability Act and admiralty law.

Modified, 1 CMC § 3806(f).

History: Adopted 25 Com. Reg. 20860 (Aug. 22, 2003); Proposed 25 Com. Reg. 20261 (July 15, 2003).

## **Part 700 - Limits of Liability; Item 3.B of the Information Page**

### **§ 20-40.3-701 Workers' Compensation and Employers' Liability Policy**

(a) Part One - Workers' Compensation

Public Law 6-33 provides for \$40,000 statutory limit of liability. The policy provides all benefits required by Public Law 6-33 of the Commonwealth of the Northern Mariana Islands.

(b) Part Two - Employers' Liability (at Carriers' Discretion)

© 2009 by The Commonwealth Law Revision Commission

- (1) Standard Limits (at Carriers' Discretion)
- (2) Increased Limits

The limits under part two may be increased, subject to the following:

- (i) The limits of liability shall be the same for all operational locations of the assured.
- (ii) The additional premium for increased limits shall be determined by multiplying the total premium by the percentage in the following table for increased limits. It shall not be less than the minimum premium shown in the table. For this purpose, total premium shall be computed before application of loss and expense constants.

Table for Increased Limits

Limit of Liability (000 omitted)	Percentages	Premium For Increased Limits
\$100/100/1,000	.70	Refer to rate pages
100/100/2,500	1.20	
100/100/5,000	1.70	
100/100/10,000	2.40	
500/500/500	1.90	
500/500/1,000	2.20	
500/500/2,500	2.70	
500/500/5,000	3.20	
500/500/10,000	3.90	
1,000/1,000/1,000	3.30	
1,000/1,000/2500	3.80	
1,000/1,000/5,000	4.40	
1,000/1,000/10,000	5.00	

- (3) Accident Limit

The limit of liability under part two for bodily injury by accident applies to all bodily injury arising out of any one accident.

- (4) Disease Limits

The limit of liability under part two for bodily injury by disease - each employee - applies as a separate limit to bodily injury by disease to any one employee and the limit of liability for bodily injury by disease - policy limit - applies as an aggregate limit for all bodily injury by disease, regardless of the number of employees who sustain bodily injury by disease.

- (5) Show Limits on the Information Page

The limits of liability under part two must be stated in item 3.B of the information page.

Modified, 1 CMC § 3806(f).

History: Adopted 25 Com. Reg. 20860 (Aug. 22, 2003); Proposed 25 Com. Reg. 20261 (July 15, 2003).

Commission Comment: In subsections (a) and (b), the Commission inserted apostrophes as appropriate.

**§ 20-40.3-705 Employers' Liability Insurance; Without Workers' Compensation Insurance (at Carriers' Discretion)**

- (a) Coverage

A policy may provide only employers' liability insurance not in combination with workers' compensation insurance. It shall exclude obligation to pay workers' compensation benefits in such states.

(b) Limits of Liability

(1) The limit of liability for bodily injury by accident applies to all bodily injury arising out of any one accident.

(2) The limit of liability for bodily injury by disease - each employee - applies as a separate limit to bodily injury by disease to any one employee and the limit of liability for bodily injury by disease - policy limit - applies as an aggregate limit for all bodily injury by disease, regardless of the number of employees who sustain bodily injury by disease.

(c) Increased Limits of Liability

The limits for employers' liability insurance may be increased. If higher limits of liability apply, the premium shall be determined on the basis of the rates multiplied by the factor indicated in the following table:

Table for Increased Limits  
Employers Liability Insurance Only

Limits of Liability (000 omitted)	Factor
\$100/100/1,000	1.053
100/100/2,500	1.127
100/100/5,000	1.225
100/100/10,000	1.284
500/500/500	1.186
500/500/1,000	1.206
500/500/2,500	1.286
500/500/5,000	1.368
500/500/10,000	1.424
1,000/1,000/1,000	1.280
1,000/1,000/2,500	1.357
1,000/1,000/5,000	1.436
1,000/1,000/10,000	1.509

(d) Premium Determination

Employers liability insurance may be provided for bodily injury by accident and disease. The premium for standard limits for such insurance shall be based on the workers compensation classifications and rates in the manual in this subchapter.

Modified, 1 CMC § 3806(d), (f), (g).

History: Adopted 25 Com. Reg. 20860 (Aug. 22, 2003); Proposed 25 Com. Reg. 20261 (July 15, 2003).

Commission Comment: The original paragraphs of subsection (b) were not designated. The Commission designated subsections (b)(1) and (b)(2).

The Commission inserted apostrophes as appropriate throughout this section.

**§ 20-40.3-710 Voluntary Compensation Insurance**

(a) Limits of Liability

(1) The limits of liability under part two - employers' liability insurance for employees subject to voluntary compensation insurance are:



Bodily Injury by Accident: \$40,000 each accident  
At Carriers' Discretion:

Bodily Injury by Disease: \$100,000 each employee  
Bodily Injury by Disease: \$500,000 policy limit

(2) The limit of liability for bodily injury by accident applies to all bodily injury arising out of any one accident.

(b) Premium Determination (at Carriers' Discretion)  
Premium shall be determined on the basis of the workers' compensation rules, classifications and rates in the manual.

(c) Payroll Records  
When voluntary compensation insurance is provided for a group of employees, separate payroll records shall be maintained by the insured for the designated group of employees.

Modified, 1 CMC § 3806(f), (g).

History: Adopted 25 Com. Reg. 20860 (Aug. 22, 2003); Proposed 25 Com. Reg. 20261 (July 15, 2003).

Commission Comment: The original paragraphs of subsection (a) were not designated. The Commission designated subsections (a)(1) and (a)(2).

In subsections (a) and (b), the Commission inserted apostrophes as appropriate.

## **Part 800 - Special Conditions or Operations Affecting Coverage and Premium**

### **§ 20-40.3-801 Executive Officers**

(a) Definition  
Executive officers of a corporation are the president, vice president, secretary, treasurer or any other officer appointed in accordance with the charter or by-laws of the corporation.

(b) Law and Status  
(1) Salaried executive officers may elect workers' compensation coverage under Public Law 6-33. To include executive officers, carriers must attach the standard sole proprietors, partners, officers and other coverage endorsement (WC 00 03 10).  
(2) When coverage is elected, executive officers have the same status as employees under the policy.

(c) Premium Determination  
Premium for executive officers shall be based on their total payroll, subject to the following limitations and the requirements of § 20-40.3-625.  
(1) The minimum individual payroll for an executive officer is shown on the rate pages.  
(2) The maximum individual payroll for an executive officer is shown on the rate pages.  
(3) The payroll limitations in (c)(1) and (2) apply to the average weekly payroll of each executive officer for the number of weeks the officer was employed during the policy period.

(d) Assignment of Payroll  
(1) Payroll shall be assigned to the classification which applies to the principal operations in which the executive officer is engaged.  
(2) Exceptions to (d)(1) above

- (i) Payroll of an executive officer who regularly and frequently engages in duties which are ordinarily performed by a superintendent, foreman or worker shall be assigned to the governing classification.
- (ii) Payroll of an executive officer who performs construction, erection or stevedoring operations shall be divided and assigned to the classifications which apply to the different types of operations of the executive officer, subject to the requirements of § 20-40.3-420(b).

(e) Flight Duties

(1) Payroll of an executive officer who is a pilot or member of the flying crew of an aircraft used in the insured's business shall be assigned as follows:

(i) For each week during which the executive officer did not perform flight duties, assign the officer's payroll as provided in subsection (d).

(ii) For each week during which the executive officer performed flight duties, assigned the officer's payroll for that week to code 7421 - aircraft operation - flying crew. If an executive officer's non-flying duties in such a week are subject to the higher rated classification, that higher rated classification shall be assigned in that week.

(2) Rules (e)(1)(i) and (ii) apply on the basis of the policy's log book required under federal regulations or other verifiable records.

(3) If code 7421 - aircraft operations - flying crew - applies and verifiable records are not maintained to indicate those weeks during which flying is performed by executive officer, their payroll shall be assigned to the highest rated classification which applies to any of their operations.

Modified, 1 CMC § 3806(c), (f), (g).

History: Adopted 25 Com. Reg. 20860 (Aug. 22, 2003); Proposed 25 Com. Reg. 20261 (July 15, 2003).

Commission Comment: The original paragraphs of subsections (b), (d) and (e) were not designated. The Commission designated subsections (b)(1) and (b)(2), (d)(1) and (d)(2) and (e)(1) through (e)(3).

In subsection (a), the Commission corrected the spelling of "any." In subsection (b), the Commission inserted an apostrophe in "workers."

In subsection (c), the original cross-reference to Rule V-F was incorrect. This subsection does not exist. The Commission changed the reference to Rule VI-F, codified at § 20-40.3-625.

In subsections (e)(1)(i) and (e)(2), the cross-references to Rule VII-A-5 and 6a and b, respectively, were incorrect. See 25 Com. Reg. at 20305 (July 15, 2003). The Commission corrected the references.

### **§ 20-40.3-805 Partners and Sole Proprietors**

(a) Law and Status

Partners and sole proprietors are not normally in the category of employees but may be covered under the law by statutory provision or by election. They then have the same status as employees under the policy.

(b) Coverage

To provide coverage for a partner or sole proprietor who is to be treated as an employee, attach the standard sole proprietors, partners, officers and others coverage endorsement (WC 00 03 10).

(c) Premium Determination

Premium for each partner or sole proprietor treated as an employee is based on the payroll amount shown on the rate pages.

(d) Assignment of Payroll

Payroll of partners or sole proprietors shall be assigned to classifications and rates under the rules which apply to employees.

Modified, 1 CMC § 3806(f).

History: Adopted 25 Com. Reg. 20860 (Aug. 22, 2003); Proposed 25 Com. Reg. 20261 (July 15, 2003).

### **§ 20-40.3-810 Subcontractors**

(a) Law on Contractors and Subcontractors

- (1) Most workers compensation laws provide that a contractor is responsible for the payment of compensation benefits to employees of its uninsured subcontractors.
- (2) Public Law 6-33 requires that all employers obtain compensation coverage for their employees regardless of any subcontractual agreements.

(b) Premium for Uninsured Subcontractors

The contractor shall furnish satisfactory evidence that the subcontractor had workers compensation insurance in force covering the work performed for the contractor. For each subcontractor for which such evidence is not furnished, additional premium shall be charged on the policy which insured the contractor as follows:

- (1) The contractor shall provide a complete payroll record of the employees of each uninsured subcontractor. Premium on such payroll shall be based on the classification which would have applied if the employees of the subcontractor had been employees of the contractor.
- (2) If the contractor does not supply the payroll records of its subcontractor, the full subcontract price of the work performed during the policy period by the subcontractor shall be established as the payroll of the subcontractor's employees. The additional premium shall be charged on that amount as payroll.
- (3) Exception to (b)(2) above

If investigation on a specific job discloses that a definite amount of the subcontract price represents payroll, such amount shall be the payroll for the additional premium computation. In contracts for labor and material, the payroll shall not be less than 50% of the subcontract price. In contracts for labor only, the payroll shall be established as not less than 90% of the subcontract price.

(c) Piece Work, Drivers, Chauffeurs and Helpers Under Contract

This rule on subcontractors does not apply to contractors for piece work, nor to drivers, chauffeurs or helpers on vehicles engaged under contract:

- (1) The entire amount paid to piece workers shall be the payroll, as provided in part 500.
- (2) The rules on standard exceptions in part 400 apply to drivers, chauffeurs or helpers on contract vehicles.

Modified, 1 CMC § 3806(c).

History: Adopted 25 Com. Reg. 20860 (Aug. 22, 2003); Proposed 25 Com. Reg. 20261 (July 15, 2003).

Commission Comment: In subsection (a), the original paragraphs were not designated. The Commission designated subsections (a)(1) and (a)(2).

### **§ 20-40.3-815 Self Insured Employers; Requirements**

(a) Any employer who was not able to secure coverage within the CNMI as evidenced by three letters of declination by three separate carriers may be allowed to seek coverage outside of the CNMI or may be allowed to self-insure its operations in accordance with the Workers' Compensation Commission Rules and Regulations [NMIAC, title 110, chapter 50]; or

(b) Any employer with at least 200 employees may elect to be self-insured in accordance with the Workers' Compensation Commission Rules and Regulations [NMIAC, title 110, chapter 50].

(c) An employer who is authorized to self-insure its operations is required to pay into the special disability fund pursuant to 4 CMC § 9353 an amount equal to 1% of the total salaries paid but not to exceed \$1,500. Please refer to Public Law 9-33 for further details.

Modified, 1 CMC § 3806(f).

History: Adopted 25 Com. Reg. 20860 (Aug. 22, 2003); Proposed 25 Com. Reg. 20261 (July 15, 2003).

## **Part 900 - Cancellation**

### **§ 20-40.3-901 Who May Cancel**

Cancellation of coverage may be made by either the insured or the carrier in accordance with policy conditions. A copy of the notice of cancellation must also be provided to the Workers' Compensation Commission.

Modified, 1 CMC § 3806(f).

History: Adopted 25 Com. Reg. 20860 (Aug. 22, 2003); Proposed 25 Com. Reg. 20261 (July 15, 2003).

### **§ 20-40.3-905 Premium Determination; Cancellation by the Insurance Carrier**

Premium for the canceled policy shall be computed as follows:

(a) Rates and Payroll

Apply authorized rates to the payroll developed during the period the policy was in effect.

(b) Expense Constant

Add the pro-rata portion of the expense constant but not less than \$50.00. Refer to § 20-40.3-620.

(c) Minimum Premium

The total premium for the canceled policy shall not be less than the pro-rata portion of the minimum premium. Refer to § 20-40.3-625.

Modified, 1 CMC § 3806(c), (f).

History: Adopted 25 Com. Reg. 20860 (Aug. 22, 2003); Proposed 25 Com. Reg. 20261 (July 15, 2003).

### **§ 20-40.3-910 Premium Determination; Cancellation by the Insured When Retiring from Business**

Compute the premium as provided in § 20-40.3-905 if a policy is canceled by the insured when:

(a) All the work covered by the policy has been completed, or

(b) All interest in any business covered by the policy has been sold, or

(c) The insured has retired from all business covered by the policy.

Modified, 1 CMC § 3806(c).

History: Adopted 25 Com. Reg. 20860 (Aug. 22, 2003); Proposed 25 Com. Reg. 20261 (July 15, 2003).

**§ 20-40.3-915 Premium Determination; Cancellation by the Insured, Exert When Retiring from Business**

(a) Actual Payroll

Determine the payroll developed during the period the policy was in effect.

(b) Extended Payroll

- (1) Extend such payroll pro-rata to an annual basis.
- (2) Example

A payroll of \$55,500 for 185 days would produce a payroll of \$109,500 on an annual basis:

$$\frac{\$55,500 \times 365}{185} = \$109,500$$

(c) Rates

Apply authorized rates to the payroll in (b) above.

(d) Short Rate Percentage

Based on the time the policy was in effect, apply the short rate percentage shown in the short rate cancellation table in this section to the annual premium computed on the basis of the extended payroll in order to determine the short rate portion of the annual premium.

(e) Expense Constant

Add the short rate portion of the expense constant but not less than \$50.00. Refer to § 20-40.3-620.

(f) Minimum Premium

The total premium for the canceled policy shall not be less the minimum premium. Refer to § 20-40.3-625.

(g) Example of a Short Rate Cancellation

A policy in effect for 185 days develops actual payroll of \$55,500, manual rate \$.50, with expense constant of \$50.

- (1) Payroll extended to annual basis =

$$\frac{\$55,500 \times 365}{185} = \$109,500$$

(2) Annual premium = \$109,500 x \$.50 = 548

(3) Short rate percentage for 185 days 61%

(See table on next page)

(4) Short rate premium for canceled policy = 334  
\$548 x .61

(5) Short rate premium of \$50 expense constant = 31  
\$50 x .61

(6) Total premium for canceled policy = \$ 365

(7) Minimum premium = \$73. Not applicable to this policy.

(8) Refer to appendix C for an alternative method of short rate computation.

Modified, 1 CMC § 3806(c), (d), (f).

History: Adopted 25 Com. Reg. 20860 (Aug. 22, 2003); Proposed 25 Com. Reg. 20261 (July 15, 2003).

Commission Comment: The original paragraphs of subsection (b) and the final paragraph of subsection (g) were not designated. The Commission designated subsections (b)(1) and (b)(2) and (g)(8).

**§ 20-40.3-920 Short Rate Cancellation Table for Term of One Year**

Days Policy in Force	Percent of One Year Prem.	Days Policy in Force	Percent of One Year Prem.
1	5%	154 - 156	53%
2	6	157 - 160	54
3 - 4	7	161 - 164	55
5 - 6	8	165 - 167	56
7 - 8	9	168 - 171	57
9 - 10	10	172 - 175	58
11 - 12	11	176 - 178	59
13 - 14	12	179 - 182 (6 mos.)	60
15 - 16	13	183 - 187	61
17 - 18	14	188 - 191	62
19 - 20	15	192 - 196	63
21 - 22	16	197 - 200	64
23 - 25	17	201 - 205	65
26 - 29	18	206 - 209	66
30 - 32 (1 mos.)	19	210 - 214 (7 mos.)	67
33 - 36	20	215 - 218	68
37 - 40	21	219 - 223	69
41 - 43	22	224 - 228	70
44 - 47	23	229 - 232	71
48 - 51	24	233 - 237	72
52 - 54	25	238 - 241	73
55 - 58	26	242 - 246 (8 mos.)	74
59 - 62 (2 mos.)	27	247 - 250	75
63 - 65	28	251 - 255	76
66 - 69	29	256 - 260	77
70 - 73	30	261 - 264	78
74 - 76	31	265 - 269	79
77 - 80	32	270 - 273 (9 mos.)	80
81 - 83	33	274 - 278	81
84 - 87	34	279 - 282	82
88 - 91 (3 mos.)	35	283 - 287	83
92 - 94	36	288 - 291	84
95 - 98	37	292 - 296	85
99 - 102	38	297 - 301	86

103 - 105	39	302 - 305 (10 mos.)	87
106 - 109	40	306 - 310	88
110 - 113	41	311 - 314	89
114 - 116	42	315 - 319	90
117 - 120	43	320 - 323	91
121 - 124 (4 mos.)	44	324 - 328	92
125 - 127	45	329 - 332	93
128 - 131	46	333 - 337 (11 mos.)	94
132 - 135	47	338 - 342	95
136 - 138	48	343 - 346	96
139 - 142	49	347 - 351	97
143 - 146	50	352 - 355	98
147 - 149	51	356 - 360	99
150 - 153 (5 mos.)	52	361 - 365 (12 mos.)	100

Modified, 1 CMC § 3806(f).

History: Adopted 25 Com. Reg. 20860 (Aug. 22, 2003); Proposed 25 Com. Reg. 20261 (July 15, 2003).

## **Part 1000 - Longshore and Harbor Workers' Compensation Act**

### **§ 20-40.3-1001 General Information**

The Longshore and Harbor Workers' Compensation Act (LHWCA) is a federal law which provides for payment of compensation and other benefits to employees such as longshore workers, harbor workers, ship repair workers, shipbuilders, shipbreakers and other employees engaged in loading, unloading, repairing or rebuilding a vessel. It applies to such employees while working on navigable waters of the United States and also while working on any adjoining pier, wharf, dry dock, terminal, building way, marine railway, or other area adjoining such navigable waters customarily used for loading, unloading, repairing or building a vessel. It does not cover masters or members of the crew of a vessel. For complete details see U.S. Code (1946), title 33, section 901-49, amended by Public Law 92-576.

Modified, 1 CMC § 3806(f), (g).

History: Adopted 25 Com. Reg. 20860 (Aug. 22, 2003); Proposed 25 Com. Reg. 20261 (July 15, 2003).

Commission Comment: The Commission inserted the final period.

### **§ 20-40.3-1005 Workers' Compensation Insurance; Part One**

The standard policy is used to insure the statutory obligation of any employer to furnish benefits required by the LHWCA. Attach the standard Longshore and Harbor Workers' Compensation Act coverage endorsement (WC 00 01 06) to provide such insurance. Do not designate the LHWCA in item 3.A of the information or declarations page. To exclude LHWCA exposures that are not to be covered by the policy, attach the standard Longshore and Harbor Workers' Compensation Act exclusion endorsement (WC 00 01 07).

Modified, 1 CMC § 3806(f).

History: Adopted 25 Com. Reg. 20860 (Aug. 22, 2003); Proposed 25 Com. Reg. 20261 (July 15, 2003).

### **§ 20-40.3-1010 Employers' Liability Insurance; Part Two (at Carriers' Discretion)**

For operations subject to the LHWCA, the standard limits of liability under part two are:

- (a) Bodily Injury by Accident: \$100,000 each accident
- (b) Bodily Injury by Disease: \$100,000 each employee
- (c) Bodily Injury by Disease: \$500,000 policy limit  
(Refer to part 800.)

Modified, 1 CMC § 3806(c).

History: Adopted 25 Com. Reg. 20860 (Aug. 22, 2003); Proposed 25 Com. Reg. 20261 (July 15, 2003).

### **§ 20-40.3-1015 Classification and Rates**

- (a) Classifications

Classifications for insurance under the LHWCA are listed in the classification section of the manual in this subchapter.

- (b) Rates for Federal "F" Classifications

The manual rates for classification code numbers followed by the letter "F" include premium for operations subject to the LHWCA.

- (c) Rates for Non-federal "Non-F" Classifications

The manual rates for classification code numbers not followed by the letter "F" do not include premium for operations subject to the LHWCA. If operations under such classifications involve some employees subject to the LHWCA, the manual rates and minimum premiums for such classifications shall be increased by the longshore and harbor workers compensation coverage percentage shown on the rate pages. Such percentage does not apply to loss and expense constants. Such increased rate shall apply only to payroll of employees engaged in operations subject to the LHWCA.

Modified, 1 CMC § 3806(d), (f), (g).

History: Adopted 25 Com. Reg. 20860 (Aug. 22, 2003); Proposed 25 Com. Reg. 20261 (July 15, 2003).

Commission Comment: In subsection (c), the Commission changed "employee" to "employees" to correct a manifest error.

### **§ 20-40.3-1020 Extensions of the Longshore and Harbor Workers' Compensation Act**

- (a) Defense Base Act

(1) The Defense Base Act extends the provision of the LHWCA to employers and their employees on overseas military bases and on other overseas locations under public works contracts being performed by contractors with agencies of the United States government. Employees who are not United States citizens may be exempted from coverage upon approval of a waiver by the Secretary of Labor. For complete details, see Defense Base Act, U.S. Code (1946) title 42, sections 1651-54, Public Law 208, 77th Congress.

(2) To provide such insurance, attach the standard Defense Base Act coverage endorsement (WC 00 01 01).



(b) Outer Continental Shelf Lands Act

(1) The Outer Continental Shelf Lands Act extends the provisions of the LHWCA to employers and their employees exploring for natural resources on the outer continental shelf of the United States.

(2) That area is generally described as all submerged lands lying seaward and outside of the area of lands beneath navigable waters of the United States and subject to its jurisdiction. For complete details, see U.S. Code (1946) title 33, sections 901 - 49 as extended by the act of August 7, 1953 Public Law 212, 83rd Congress).

(3) To provide such insurance, attach the Outer Continental Shelf Lands Act coverage endorsement (WC 00 01 09).

(c) Civilian Employees of Non-appropriated Fund Instrumentalities Act

(1) The Non-appropriated Fund Instrumentalities Act extends the provisions of the LHWCA to civilian employees of non-appropriated instrumentalities such as post exchanges and service clubs of the Armed Forces. For complete details, see U.S. Code (1970) title 5, section 8171 (Public Law 85-538, 85th Congress).

(2) To provide such insurance attach the standard Non-appropriated Fund Instrumentalities Act coverage endorsement (WC 00 01 08).

(d) Premium Determination

For insurance under extensions of the LHWCA, determine premium as provided in § 20-40.3-1015.

Modified, 1 CMC § 3806(c), (f).

History: Adopted 25 Com. Reg. 20860 (Aug. 22, 2003); Proposed 25 Com. Reg. 20261 (July 15, 2003).

Commission Comment: The original paragraphs of subsections (a), (b) and (c) were not designated. The Commission designated subsections (a)(1) and (a)(2), (b)(1) through (b)(3), and (c)(1) and (c)(2).

## **Part 1100 - The Admiralty Law and Federal Employer's Liability Act**

### **§ 20-40.3-1101 General Information**

(a) Admiralty Law

Masters and members of the crews of vessels are not covered under state workers' compensation laws nor under the LHWCA. They are subject to admiralty law and, if injured, have the right to sue their employers for damages in the admiralty courts where the proceeding is in the nature of an employee liability suit. They also have the right to transportation, wages, maintenance and cure. Such seamen are subject to a federal law, the Merchant Marine Act of 1920, known as the Jones Act (46 US Code, section 688, 1970) which applies the provisions of the Federal Employers' Liability Act to seamen. Every person employed on board a vessel is deemed to be a seaman if connected with the operation or welfare of the vessel while in navigable waters. Usually, navigable waters are defined as those which form a continuous highway for interstate or international commerce.

(b) Federal Employers' Liability Act

The Federal Employers' Liability Act (FELA) applies to employees of interstate railroads. Such employees are not subject to state workers compensation laws. This federal law imposes liability for damages on the railroad if the injured railroad employee can show any negligence on the part of the railroad. For complete details, see 45 US Code, section 51-60 1970.

Modified, 1 CMC § 3806(f), (g).

History: Adopted 25 Com. Reg. 20860 (Aug. 22, 2003); Proposed 25 Com. Reg. 20261 (July 15, 2003).

Commission Comment: In subsection (a), the Commission inserted apostrophes in "workers" and "employers" to correct manifest errors.

### **§ 20-40.3-1105 Description of Coverage Programs**

© 2009 by The Commonwealth Law Revision Commission

The policy may be used to provide insurance for liability under one or more state workers' compensation laws and also for liability under admiralty law or FELA. There are two programs to furnish such insurance:

(a) Program I

Provides, under part one - workers' compensation insurance, statutory liability under the workers' compensation law of any state designated in item 3.A of the information page and, under part two - employers' liability insurance, employers' liability for damages under admiralty law or FELA, subject to a standard limit of \$25,000.

(b) Program II

Provides the same coverage as program I, but with the addition of voluntary compensation. Under program II, the insurance carrier will offer a settlement of a claim strictly in accord with the statutory benefits provided in the workers' compensation law designated in the voluntary compensation endorsement attached to the policy as if the claim were subject to the laws of negligence. If the offer of settlement is rejected, employers' liability then applies to such claim or suit, with the same standard limits as for program I.

Modified, 1 CMC § 3806(f), (g).

History: Adopted 25 Com. Reg. 20860 (Aug. 22, 2003); Proposed 25 Com. Reg. 20261 (July 15, 2003).

Commission Comment: The Commission inserted apostrophes throughout this section as appropriate.

**§ 20-40.3-1110 Coverage**

(a) Admiralty Law Endorsements

To provide program I for admiralty law, attach the standard maritime coverage endorsement (WC 00 02 01). To provide program II for admiralty law, also attach the standard voluntary compensation maritime coverage endorsement (WC 00 02 03).

(b) Admiralty Law Coverage Option

The maritime coverage endorsement excludes liability to provide transportation, wages, maintenance and cure. This endorsement may optionally include a provision to insure such liability for an additional premium based on an (a) rate.

(c) Federal Employers' Liability Act Endorsements

To provide program I for employments subject to FELA attach the standard Federal Employers' Liability Act coverage endorsement (WC 00 01 04). To provide program II, also attach the standard voluntary compensation and employers' liability coverage endorsement (WC 00 03 11).

(d) Longshore and Harbor Workers' Compensation Act

When insurance is provided for liability under admiralty law or FELA, insurance for liability under the LHWCA also may be necessary. To provide such insurance, attach the standard Longshore and Harbor Workers' Compensation Act coverage endorsement (WC 00 01 06).

Modified, 1 CMC § 3806(f).

History: Adopted 25 Com. Reg. 20860 (Aug. 22, 2003); Proposed 25 Com. Reg. 20261 (July 15, 2003).

**§ 20-40.3-1115 Exclusions**

Unless specifically excluded, coverage for liability of an employer under admiralty law or FELA is provided by the policy under part two employers liability. The policy may be endorsed to exclude such coverage as follows:

(a) Exclusion of Admiralty Law Liability

To exclude, admiralty liability, attach the standard maritime exclusion endorsement (WC 00 02 02).

(b) Exclusion of Federal Employers' Liability Act Liability

To exclude FELA liability, attach the Federal Employers' Liability Act exclusion endorsement (WC 00 01 05).

Modified, 1 CMC § 3806(f).

History: Adopted 25 Com. Reg. 20860 (Aug. 22, 2003); Proposed 25 Com. Reg. 20261 (July 15, 2003).

**§ 20-40.3-1120 Limit of Liability**

(a) Standard Limit

The standard limit of liability under part two - employers' liability insurance for admiralty or FELA insurance under program I or II is \$25,000.

(1) Accident Limit

The limit of liability applies to all bodily injury arising out of any one accident.

(2) Disease Limit

The limit of liability also applies as a separate aggregate limit for all bodily injury by disease. The aggregate limit for all bodily injury by disease.\* The aggregate limit applies separately to bodily injury by disease arising out of work in each state shown in item 3.A of the information page.

(3) Show Limits on Endorsement

These limits of liability must be stated in the maritime coverage endorsement and/or the Federal Employers' Liability Act coverage endorsement.

\*So in original.

(b) Increased Limits

(1) Increased limits of liability under part two - employers' liability insurance are available. The additional premium for increased limits applying the factor in the following table for increased limits to the total premium for admiralty or FELA classifications before application of:

(i) Expense constant

(ii) Experience rating or merit rating modification

(iii) Premium discount or retrospective rating adjustment.

(2) The premium for increased limits is subject to an experience rating modification and merit rating modification.

Table for Increased Limits

Limit Per Accident	Factor	Minimum Premium Program I	Minimum Premium Program II
\$25,000	1.00	Refer to rate page	Refer to rate page
50,000	1.09		
100,000	1.15		
200,000	1.23		
300,000	1.29		
400,000	1.34		
500,000	1.38		

(c) Minimum Premium

The separate minimum premium shown in the above table for increased limits applies to a policy which includes classifications for operations subject to admiralty law or the FELA. Such minimum premium is the lowest premium for insuring admiralty or FELA operations and it shall apply in addition to the minimum premium or premium for other operations on such a policy. It is not subject to an experience or merit rating modification.

Modified, 1 CMC § 3806(f), (g).

History: Adopted 25 Com. Reg. 20860 (Aug. 22, 2003); Proposed 25 Com. Reg. 20261 (July 15, 2003).

Commission Comment: The original paragraphs of subsection (b) were not designated. The Commission designated subsections (b)(1) and (b)(2).

In subsections (a) and (b), the Commission inserted apostrophes where appropriate.

**§ 20-40.3-1125 Classifications and Rates**

The classifications for admiralty or FELA operations follow. The rates are on the rate pages:

**CLASSIFICATIONS**

	Code Number		
	Program I	Program II	
		State Act Benefits	L&H Benefits
Boat Livery - boats under 15 tons This classification includes the laying up or putting into commission of boats. Boats 15 tons or over to be separately rated under the appropriate vessels classification	7038	7090	7050
Diving - marine	7394	7395	7398
Dredging - all types	7333	7335	7337
Ferries This classification includes dock employees	7019	7027	7062
Fishing Vessels - NOC This classification includes packing, curling or shipping fish and repair of nets or boats	7039	7091	7051
Oyster Boats This classification includes planting; harvesting; and operation of boats	7079	7097	7070
Salvage Operations – marine	7394	7395	7398
Supply Boats	7020	7028	7131
Tugboats	7020	7028	7131
Vessels - NOC	7016	7024	7047

Vessels - not self-propelled Such vessels having a regular master and crew who are furnished living quarters aboard the vessel, shall be rated as "vessels NOC"	7046	7098	7099
Vessels - sail	7036	7088	7048
Wrecking - marine	7394	7395	7398
Yachts - private - sail or power	7037	7089	7152
<b>Federal Employers' Liability Act</b>			
Railroad Operations - all employees including drivers This classification contemplates the normal operations of railroads including normal maintenance and repair. All extraordinary repair work including such work as rebuilding bridges, grade crossing elimination, laying or relaying track and all new construction. Operations shall be classified as code 6702, 6703 or 6704.	7151	7153	7152
Clerical Office Employees – NOC	8814	8805	8815
Salespersons, Collectors or Messengers – outside	8737	8734	8738
Railroad Construction - all operations sales-persons and drivers	6702	6704	6703

Modified, 1 CMC § 3806(f).

History: Adopted 25 Com. Reg. 20860 (Aug. 22, 2003); Proposed 25 Com. Reg. 20261 (July 15, 2003).

**§ 20-40.3-1130 Waters Not under Admiralty Jurisdiction**

(a) Coverage

An insured may conduct operations on waters not subject to admiralty jurisdiction. Insurance for such operations shall be provided by the policy and endorsement forms and is subject to the rules which apply to statutory workers compensation insurance. Rates are on the rate pages.

(b) Premium Determination

The admiralty classifications and rates for program II apply to operations described in subsection (a) above. Rates are on the rate pages.

(c) Admiralty Law or LHWCA Liability

If there is a potential liability under admiralty law, follow the premium rules for insurance under admiralty law. If there is a potential liability under the LHWCA, refer to part 1000.

Modified, 1 CMC § 3806(c), (f).

History: Adopted 25 Com. Reg. 20860 (Aug. 22, 2003); Proposed 25 Com. Reg. 20261 (July 15, 2003).

**Part 1200 - Domestic Workers; Residences**

**§ 20-40.3-1201 Definitions**

(a) Inside Domestic Workers

Domestic workers - inside are employees engaged exclusively in household or domestic work performed principally inside the residence. (Ex. cook, housekeeper, laundry worker, maid, butler, caregiver, nurse or baby sitter.)

(b) Outside Domestic Workers

Domestic workers - outside are employees engaged exclusively in household or domestic work performed principally outside the residence. (Ex. private chauffeur, gardener, etc.)

(c) Occasional Domestic Workers

Domestic workers - occasional are domestic workers, inside or outside, who are employed part-time. Any domestic worker employed more than ½ of the customary full time shall be assigned and rated as a full time domestic worker. (Ex. persons engaged on certain days for gardening, cleaning, laundering or baby sitting).

Modified, 1 CMC § 3806(f).

History: Adopted 25 Com. Reg. 20860 (Aug. 22, 2003); Proposed 25 Com. Reg. 20261 (July 15, 2003).

**§ 20-40.3-1205 Coverage; Voluntary Compensation Insurance**

Voluntary compensation insurance for domestic workers may be provided by attaching the voluntary compensation and employers’ liability coverage for residence employees endorsement (WC 00 03 12).

Modified, 1 CMC § 3806(f), (g).

History: Adopted 25 Com. Reg. 20860 (Aug. 22, 2003); Proposed 25 Com. Reg. 20261 (July 15, 2003).

Commission Comment: The Commission inserted the apostrophe in “employers” to correct a manifest error.

**§ 20-40.3-1210 Name of Insured**

The name of insured must reflect the employer’s name and residence where such domestic worker is employed.

Modified, 1 CMC § 3806(g).

History: Adopted 25 Com. Reg. 20860 (Aug. 22, 2003); Proposed 25 Com. Reg. 20261 (July 15, 2003).

Commission Comment: The Commission inserted the apostrophe in “employers” to correct a manifest error.

**§ 20-40.3-1215 Classifications**

(a) Domestic Workers

(1) The following classifications apply to operation of domestic workers:

Classifications	Code
Domestic Workers – Inside	0913
Domestic Workers – Outside	0912
Domestic Workers - Occasional (inside or outside)	0908

(2) Exception

If commercial farm operations are conducted, codes 0912 and 0908 do not apply to any operations at the farm location. Refer to the farm classifications in the classification section of the manual in this subsection.

(b) Maintenance, Repair or Construction Operations

(1) Codes 0913, 0912 and 0908 include ordinary repair or maintenance of the insured's premises or equipment by domestic workers.

(2) Building maintenance or repair by employees hired only for that purpose shall be assigned to code 9015 - Building NOC - operations by owner or lessee.

(3) Extraordinary repairs, alternations, new construction, erection or demolition of structures shall be assigned to construction or erection classifications.

Modified, 1 CMC § 3806(d), (f).

History: Adopted 25 Com. Reg. 20860 (Aug. 22, 2003); Proposed 25 Com. Reg. 20261 (July 15, 2003).

Commission Comment: The original paragraphs of subsection (a) were not designated. The Commission designated subsections (a)(1) and (a)(2).

**§ 20-40.3-1220 Rates and Premium**

(a) Rates

The rates for codes 0913, 0912 and 0908 are based on the annual salary of the domestic worker.

(b) Records Required

The insured shall maintain a record of the names, duties and period of service of each domestic worker.

(c) Estimated Premium for Domestic Workers

Estimated premium for codes 0912, 0913 and 0908 shall be computed on the estimated annual payroll of such domestic worker during the policy period. If additional domestic workers are employed during the policy period then their estimated annual premiums shall be pro-rated for the duration of the existing coverage.

Modified, 1 CMC § 3806(f).

History: Adopted 25 Com. Reg. 20860 (Aug. 22, 2003); Proposed 25 Com. Reg. 20261 (July 15, 2003).

**§ 20-40.3-1225 Minimum Premium**

For a policy with two or more classifications, apply the highest minimum premium for any classification in the policy.

History: Adopted 25 Com. Reg. 20860 (Aug. 22, 2003); Proposed 25 Com. Reg. 20261 (July 15, 2003).

**Part 1300 - Final Earned Premium Determination**

**§ 20-40.3-1301 Actual Payroll**

Final earned premium for the policy shall be determined on actual, instead of estimated, payroll or other premium basis.

Modified, 1 CMC § 3806(f).

History: Adopted 25 Com. Reg. 20860 (Aug. 22, 2003); Proposed 25 Com. Reg. 20261 (July 15, 2003).

**§ 20-40.3-1305 Premium Determination**

The determination of final earned premium is governed by the rules, classifications and rates in the manual in this subchapter.

Modified, 1 CMC § 3806(d), (f).

History: Adopted 25 Com. Reg. 20860 (Aug. 22, 2003); Proposed 25 Com. Reg. 20261 (July 15, 2003).

**§ 20-40.3-1310 Audit Rights of Carrier**

The insurance carrier has the right to compute earned premium based on an examination of original payroll records and books of account of the insured, in accordance with part five - premium of the standard policy.

Modified, 1 CMC § 3806(f).

History: Adopted 25 Com. Reg. 20860 (Aug. 22, 2003); Proposed 25 Com. Reg. 20261 (July 15, 2003).

**Part 1400 - Miscellaneous Provisions**

**§ 20-40.3-1401 Excess Insurance (at Carriers' Discretion)**

(a) Excess insurance should only be contemplated by self-insured employers (refer to § 20-40.3-815).

(b) Excess insurance is only available to employers who have been granted permission for self insurance by the Workers' Compensation Commission. Excess insurance may be written to cover losses in excess of an employer's retention of \$7,500, \$10,000, \$15,000, \$20,000, \$30,000 per accident. Excess insurance rates contemplate \$1,000,000 maximum limits.

(c) Risks to be rated for excess compensation insurance should be submitted to the Office of the Insurance Commissioner and the Workers' Compensation Commission.

Modified, 1 CMC § 3806(c), (f), (g).

History: Adopted 25 Com. Reg. 20860 (Aug. 22, 2003); Proposed 25 Com. Reg. 20261 (July 15, 2003).

Commission Comment: The original paragraphs were not designated. The Commission designated subsections (a) through (c).

In subsections (a) and (b), the Commission inserted the apostrophes in "Workers."

**Appendix A  
Classification and Tariff Section**

<b>NMIA WORKERS COMPENSATION TARIFF CLASSIFICATION</b>	<b>CODE</b>	<b>RATE</b>	<b>MINIMUM PREMIUM</b>
Accountants	8803	0.14%	19
Acoustical Contractor - use Insulation Work	5479	3.20%	95
Addressing or Mailing Cos. - use Mailing or Addressing Cos.	8800	0.39%	25
Adobe Brick Mfg/Brick or Clay Products Mfg.	4041	9.07%	
Advertising Cos. - outdoor - selling space for	9549	4.79%	



advertising purposes - including shop operations, and the erection, painting, repair, maintenance, or removal of signs; sign painting or lettering in or upon buildings or structure; (Bill posting to be separately rated)			
Advertising Agencies			
Clerical Office Employees (inside work)	8810	0.17%	19
Salesmen, Collectors, Messengers	8742	0.36%	24
Aerial Photography/Aircraft Operation-Patrol	7424	5.85%	
Air Compressor Mfg./Machine Shops	3632	6.14%	169
Air Conditioning (Self-contained units-installation)/Household Appliances	9519	1.74%	59
Air Conditioning Systems - Installation/Sheet Metal Work	5538	4.98%	138
Aircraft Operation: Definitions, Assignments of Payrolls			
Aircraft Operation			
(1) Aircraft Operation - Agricultural - All members of flying crew including dusting, spraying, seeding, bird herding or hunting	7409	11.59%	
(2) All employees other than members of the flying crew - including field or hangar employees, loaders and flagmen	7410	5.97%	
Aircraft Operation - Scheduled and Supplemental Air Carriers:			
(1) All members of flying crew This classification shall apply to scheduled or commercial air carriers, including cargo carriers, operating under part 121 of Fed Aviation Reg.	7405	2.97%	89
(2) All employees other than members of the flying crew (ticket sellers or information clerks to be separately rated as 8810 - "Clerical Office Emp.")	7403	1.40%	50
Aircraft Operation - Commuter Carriers:			
(1) All members of flying crew This classification shall apply to commuter air carriers who operate under part 135 of the Federal Aviation Regulations, conduct at least five round trips per week, and publish flight schedules.	7413	2.83%	
(2) All employees other than members of the flying crew (ticket sellers or information	7428	3.17%	

clerks shall be separately rated as 8810 “Clerical Office Emp.”)			
Aircraft Operation - All Others (1) Aircraft Operations - other than agricultural, scheduled or supplemental air carriers - all employees - other than members of the flying crew - including field or hangar instructors. (Ticket sellers or information clerks to be separately rated as 8810 “Clerical Office Employees”; classroom instructors to be separately rated as 8868 - “Colleges or Schools,” ground photographic laboratory employees to be separately rated as 4361 - “Photographers - all employees”; payroll of members of flying crews to be separately rated) (2) Aircraft Operation - Charter - use Aircraft Operation - Sales or Service (3) Aircraft Operation - Helicopter - members of flying crew - N.O.C. (4) Aircraft Operation, members of flying crew - N.O.C. (5) Aircraft Operation - Parachute jumping - use Aircraft Operation - Public Exhibition (6) Aircraft Operation - patrol; photography; mapping; skywriting; advertising or survey work - all members of flying crew (7) Aircraft Operation - Sales or Service Agencies; charter; taxi or sightseeing, student instruction, members of flying crew	7428 7424 7425 7424  7419  7424 7424	3.17% 5.85% 19.81% 5.85%  12.87%  5.85% 5.85%	
Aircraft Remanufacture, Conversion, Modification and Repair companies - not engaged in the original manufacturing of aircraft	7428	3.17	
Aircraft Schools - Classroom instruction - use Colleges	8868	0.21	20
Aircraft Operators - all employees - including field or hangar instructors; Drivers, Chauffeurs and their helpers. (Ticket sellers or information clerks to be separately rated as 8810 - “Clerical Office Employees,” classroom instructors to be separately rated as 8688 - “Colleges or Schools,” ground photographic laboratory	7429	8.30%	

employees to be separately rated as 4361 - "Photographers - all employees"; payroll for members of flying crew to be separately rated in accordance with the provisions of the manual.			
Alarm (Fire or Burglar) Systems - Sales & Installation/Telephone, Telegraph or Fire Alarm)	7601	4.63%	131
Alcohol Mfg. - Grain	2130	3.78%	110
Alcohol Mfg. - Wood	1472	4.32%	123
Aluminum Awning Installation	5102	3.63%	106
Aluminum Scrap Metal Dealer - Use Salvage Material, Metal Scrap Dealers	3500	7.12%	
Aluminum Ware Mfg. - from sheet aluminum (rolling mill or smelting to be separately rated)	3066	3.16%	84
Ambulance Services - all operators	7332	10.73%	
Amusement Parks or Exhibitions (1) Care, custody and maintenance of premises; operation of elevators or heating, lighting or power apparatus - including policemen, watchmen, musicians, box office employees or gate attendants. Operation or maintenance of amusement devices, restaurants and retail stores to be separately rated; pari-mutual employees - rate separately as 8810 - "Clerical Office Employees." (2) Operation and maintenance of merry-go-rounds, swings, roller coasters or other amusement devices not specifically classified - including ticket collectors connected therewith. Bath houses, billiard halls, bowling centers, dance halls, restaurants, retail stores, skating rinks and theaters shall be separately rated as otherwise provided by this manual.	9016	2.84%	86
	9180	6.95%	189
Analytical or Testing Laboratory - including outside oprtns, - N.P.D. This classification does not apply to outside X-raying operations or drilling operations. Outside X-raying operations shall be assigned to 3365 - "Welding or Cutting" and drilling operations shall be assigned to 6204 -	4511	1.54%	54

“Drilling - N.O.C.”			
Animal Hospital - use Hospital Veterinary	8831	5.23%	146
Animal Membranes - Preparation - use Meat Products	2095	4.28%	122
Antique Dealers - Stores (Misc Merchandise) use Store Risks	8017	0.49%	27
Retail N.O.C. or Stores - Furniture (if primarily furniture sales)	8015	3.63%	
Apartment Hotels - use Hotels	9050	5.67%	
Apartment Houses - use Bldgs. Oprtn by owners or lessees	9015	3.11%	93
Appliance Store - Household Appliance - Service or Repair	9519	1.74%	59
Appliance Store - wholesale or combined wholesale and retail - use Store Risk - wholesale	8018	1.44%	51
Automobile or Automobile Truck Dismantling - including the salvaging or junking of parts, store operations	3821	11.54%	301
Automobile or Automobile Truck Parts Machining and Rebuilding - N.P.D. This classification is intended to apply to operations such as automobile truck engine rebuilding, cylinder reboring, valve grinding, turning down brake drums, transmission rebuilding, rebabbiting, carburetor and generator rebuilding and fuel and water pump rebuilding. It does not apply to any employer who removes parts from automobiles or automobile trucks for the purpose of machining or rebuilding, installs parts in automobiles or automobile trucks or otherwise works directly upon automobiles or automobile trucks. Payroll of a parts department, when more than 50% of the parts are sold commercially and are not machined or rebuilt by the insured nor used in the insured’s machining or rebuilding operations, shall be assigned to 8046, “Stores - automobile accessories.”	3826	5.07%	
Automobile or Automobile Truck Repair Shops or Garages – including all engine, mechanical, electrical, body and fender	8389	5.51%	

repairing or rebuilding Recapping or retreading of tires to be separately rated.			
Automobile or Automobile Truck Service Stations - including accessory and spare parts departments; N.P.D. with 8391 - "Automobile or Automobile Repair Truck Dealers," 8389 - "Automobile or Automobile Truck Repair Shops or Garages," and 8392 "Automobile or Automobile Truck Store Garages or Pkg. Stations or Lots. This classification includes cashiers who receiver payment from customers. Recapping or retreading of tires to be separately rated.	8387	2.62%	81
Automobile Accessory Stores - See "Stores"	0046	1.00%	40
Automobile Body Painting - including incidental sanding - N.P.D. with 3808 - "Automobile or Motorcycle Mfg. or Assembling," 3815 - "Automobile Truck or Automobile Truck Trailer Mfg. or Assembling," 3815 - Automobile Body Mfg.," 2797 - "Automobile Body Mfg.," 2797 - "Mobile Home Mfg." (Body and fender repairing shall be separately rated.) This classification shall apply only to a physically separated department engaged exclusively in painting operations with no interchange of employees	9505	1.06%	
Automobile Body Upholstering - N.P.D. with 3808 - "Automobile or Motorcycle Mfg or Assembling," 3815 - "Automobile Truck or Automobile Truck Trailer Mfg. or Assembling," or 3815 - "Automobile Body Mfg."	9522	.075%	34
Automobile Gasoline Stations - retail - all employees - N.O.C. - N.P.D. This classification is applicable to those concerns engaged exclusively in the sale of gasoline or oil or replacement of accessories such as wiper blades, radiator caps, fuses, dash lamps or similar accessories not requiring the use of any tools. This classification is not applicable to any concern that engages in or maintains facilities	8324	5.72%	

for automobile repair, lubrication, tire repair or tire sales at the same location. This classification includes cashiers who receive payments from customers.			
Automobile Renting - use Automobile, Bus or Taxicab Companies	7382	2.51%	78
Automobile Schools - use Auto Dealers - all others	8391	2.35%	74
Automobile Van Conversion or Customizing - all operations - N.P.D. with 9505 - "Automobile Body Painting," or 9522 - "Automobile Body Upholstering"	8390	6.85%	
Appraisal Inspectors - Mercantile or Mfg. - use inspection for insurance	8720	0.59%	30
Appraisers - Auction - use of Auctioneers	8090	1.43%	51
Architects, Buildings, Landscape, Naval - use Draughting (inside) Engineers (outside)	8810 8601	0.17% 0.60%	19 30
Armoured Car Service - use Patrolmen	7721	6.71%	
Army or Navy Post Exchanges - use Store Risks Retail - N.O.C. also see Longshoreman's & Harbor Workers Act	8017	.049%	27
Art Galleries - use Municipal - Librarians, Curators	8838	0.17%	19
Art Supply Stores - Use Stores, Retail Risk - N.O.C.	8017	0.49%	27
Asbestos Covering on Boilers - use Steam Pipe or Boiler Insulation	5184	2.71%	84
Asphalt Laying - use Street or Road Construction	5506	7.26%	152
Asphalt or Tar Distilling or Refining - including manufacture of products obtained therefrom; saturation of paper or felt with tar or asphalt; (Felt or paper manufacturing or coke burning to be separately rated) This classification is not applicable to chemical works or manufacturers of dyes or productions use as explosives.	4740	4.47%	127
Asphalt Tile Laying - use House furnishings	9521	2.27%	72
Asphalt Works - grinding, pulverizing, or mixing asphalt (digging, mining or quarrying to be separately rated).	1463	4.76%	134

Asphalt Works - Temporary - in connection with street or road, use Street or Road Construction	5506	7.26%	57
Assaying - use Analytical or Testing Laboratory	4511	1.54%	54
Asylums - use Hospitals	9043	2.73%	
Athletic Fields - use Athletic Teams or Parks - Care & Operation	9182	1.65%	56
Athletic Teams or Parks (1) All players on salary list of assured, whether regularly played or not - including umpires The entire remuneration of each player shall be included in computing premium, subject to a maximum of \$60,000.00 per season. When a player works for two or more firms in the same sport during the season, the maximum of \$60,000.00 per season shall be prorated. Season, as used above, includes preseason and postseason exposure. (2) Care, operation and maintenance of grounds or care of teams - including ticket sellers or collectors, trainers, coaches, managers or special officers	9181	6.40%	
	9182	1.65%	56
Attorneys - all employees - including inside or outside salesmen, solicitors, or appraisers	8090	1.43%	51
Audio-Visual Equipment - Sales - use Stores - Retail Risk - N.O.C.	8017	0.49%	27
Auditors, Accountants, Factory Cost or Office Systematizers - all employees - including Clerical Office Employees - N.P.D.	8803	0.14%	19
Auditoriums - operation - use Buildings - N.O.C.	9015	3.11%	93
Automatic Sprinkler Installation - within buildings, including storage & yard employees	5188	4.60%	130
Automotive Industry: (1) Automobile or Automobile Salesmen	8748	0.57%	29
(2) All Other Employees - including accessory or spare parts sales classification 8391. "All Other Employees" shall apply only to those concerns having an addition to proprietors a full time clerical office force and a regular sales force engaged exclusively	8391	2.35%	74

in the demonstration and sale of automobiles and/or automobile trucks.			
Bakeries and Cracker Mfg. (Store operations shall be separately rated)	2003	1.35%	49
Banks - all employees - including appraisers, bank guards and attendants, field auditors, office machine repair, Clerical Office, Collectors, Salesmen This classification is not applicable to the operation of trusts, repossessed and other business properties away from the bank premises.	8808	0.56%	
Barber Shops or Beauty Parlors - all employees - including clerical office	9586	0.29%	22
Baths - Beach Houses - N.O.C. - all employees - including restaurant employees	9053	1.30%	
Bedding Plant Growing - Nurserymen	0005	3.62%	106
Bee Culture - use Nurserymen	0005	3.62%	106
Beer or Ale Dealers - wholesale or combined wholesale and retail - all operations - N.P.D. with 2121 "Breweries"	7392	7.93%	
Bicycle Renting - use Stores - Hardware - retail	8010	1.27%	47
Bicycle Repair - Use Stores - Hardware - retail	8010	1.27%	47
Bill Posting (Erection or repair of signs to be separately rated)	9545	6.86%	
Billiard Halls - all employees - including restaurant or tavern employees - N.P.D.	9092	3.30%	
Blasting - N.O.C. - all employees	1330	9.63%	
Blueprinting - use Photographers	4361	0.60%	30
Boat Building or Repairing, Hull & Deck Remover or Assembler - boats not exceeding 150 ft. in length overall - including shop and yardwork	6834	8.00%	
Boat Chartering and Rental, Banana Boat and Jet Ski Operations - use Amusement Parks - Operations and Maintenance	9180	6.95%	189
Boat Crew, Deckhand or Deck Engineer	908	6.00%	21
Boat Dealers - all operations Display and parts departments physically separated from repair shops; rate as	8057	3.77%	



“Hardware Stores,” 8017			
Boat Marinas - use			
Buildings - N.O.C.	9015	3.11%	93
Amusement Parks, Care, Custody	9016	2.84%	86
Boats - Cutting up steel hulls - Wrecking - Marine	6890	13.85%	
Boiler Inspection - use Inspection for Insurance for Valuation - N.O.C.	8720	0.59%	30
Boiler Installation, Repair or Setting - steam All masonry, brick work or concrete work in connection with this classification shall be rated under 5022 - “Masonry” or 5213 - “Concrete Work” respectively.	3726	17.23%	441
Boiler Scaling - use Boiler Installation, Repair or Setting	3726	17.23%	441
Booking Agencies - use			
Clerical Office (inside) N.O.C.	8810	0.17%	19
Salesmen, Collectors and Messengers (outside)	8742	0.35%	24
Bookbinding Operation: (1) Editing, designing, proofreading and photographic composing - including clerical office employees	8807 8742	0.67% 0.36%	24
(2) Salesmen, Collectors or Messengers - outside	4299	1.95%	64
(3) All Other Employees - including miscellaneous employees Drivers chauffeurs and helpers shall be rated separately as 4299 - Bookbinding			
Boot or Shoe Manufacturing or Repairing	2660	0.84%	36
Boring - Horizontal - at street crossings for installation of conduit, sewers, water and gas mains. Assign to the classification applicable to the installation of these utilities.			
Bottling - Beverages - No spirituous liquors	2163	5.92%	
Bottling Wine - use Stores - retail - Wine or Spirit Merchant	8041	6.68%	
Bowling Centers - with or without billiard halls - all employees - including restaurant or tavern employees	9092	3.30%	
Box Mfg. - folding paper boxes - N.O.C. - (paper or paper board manufacturing to be separately rated)	4243	3.61%	105

Box Mfg. - solid paper boxes - (paper or paper board manufacturing to be separately rated)	4240	1.89%	62
Boy and Girl Scout Councils Camp operation - all camp operations - including Clerical Office Employees at camp locations	9048	7.73%	
Breakwater Construction - use Jetty or Breakwater Construction	6381	8.13%	
Brick or Clay Products - N.O.C. - including construction and reconstruction of sheds and kilns (mining, quarrying or clay digging to be separately rated) (Drivers, chauffeurs, and their helpers to be separately rated as 8232 - "Building Material Dealers")	4041	9.07%	
Bridge Building - metal (Excavation , concrete work and reinforcing steel installation in connection with concrete work shall be separately rated)	5040	18.04%	461
Bridge Construction - Concrete - use Concrete Construction	5222	6.45%	176
Bridge or Trestle Construction - Wood - all operations (Pile driving, excavation, concrete work and reinforcing steel installation in connection with concrete work shall be separately rated)	5003	12.51%	323
Briquette Mfg. - coal or wood	1463	4.76%	134
Buffing or Polishing Metal - N.O.C.	3372	2.03%	66
Building Materials Dealers - commercial - no second-hand materials This classification contemplates the sale of sand, gravel, rock, cement, brick, fencing wire, wall board, doors, roofing paper, paneling, decorative stone, foundation piers, pipe, button board and similar bldg. material items.	8232	3.85%	111
Building or Roofing Paper or Felt Preparation (Paper or felt manufacturing to be separately rated) This classification is not applicable to asphalt or tar distillation or refining plants which include the saturating of paper or felt as part	4283	6.36%	

of their operations.			
Building Operation - including janitorial services, care, custody and maintenance of premises. The use of this classification is subject to a minimum payroll of \$2,000 per annum per one location and to a minimum of \$1,000 for each additional location covered by the same policy. The above requirements shall apply only to flats, apartments, or multiple dwellings having four or more units. New construction, alterations, or demolition work shall be separately rated. The preparation or serving of hot foods shall be separately rated under Restaurants, 9079.	9015	3.11%	93
Buildings - Prefabricated Construction - use Carpentry Shop only Iron Works - shop	2683 3040	3.23% 12.80%	96 330
Burglar Alarm and Security Alarm Systems Installation, Service or Repair - within buildings - including storage and yard employees. Employees responding to alarms shall be separately rated under code 7721, Detective or Patrol Agencies.	7605	3.46%	
Bus or Limousine Operations - all employees	7382	2.51%	78
Butane Gas - Delivery and Recharging - use Gasoline or Oil Dealers	8360	2.36%	74
Butane or Shellane Units - Installation - use Plumbing - N.O.C.	5183	2.74%	84
Butchering - including the handling of livestock	2081	6.66%	182
Cabinet Works - with power driven machinery - including manufacture of bank, store & office furniture & fixtures	2883	3.23%	96
Cable Insulation	4470	2.27%	72
Cable Splicing - Shop or Yard	8227	1.95%	64
Caisson Work - all operations to completion - including pile driving, excavation, masonry or concrete work up to completion or substructure only	6252	16.65%	426
Camera Repair Shops (not motion picture) -	3681	1.55%	56

use Instrument Mfg. -N.O.C.			
Camps - Recreational or educational - all operations - including Clerical Office employees at camp locations	9048	7.73%	
Canal Construction - all operations (pile driving, tunneling, dam or sewer construction to be separately rated)	6361	8.13%	
Candle Mfg.	4557	1.64%	56
Candle Shops - use Store Risks - retail - N.O.C.	8017	0.49%	27
Candy Machines - shop and outside - use Vending or Coin Operated Machines	5192	1.28%	47
Candy Mfg.	6504	2.38%	75
Candy Store and Food Mfg. - use Store Risks - retail - N.O.C.	8017	.049%	27
Canvas Goods - erection, removal or repair - use Tent Erection - Removal, Repair	9539	8.98%	235
Car Wash - use Automobile or Automobile Truck Service Stations	8387	2.62%	81
Carnivals or Circuses - all employees including Clerical, Salesmen	9185	25.96%	
Carpentry - construction or remodeling of detached 1 or 2 family residences and private garages in connection with such structures - including installation of interior trim, builder's finish and cabinet work. This classification is applicable to the installation of shingle roofing, or insulation material, but only if installed by the same contractor who performs the carpentry work at the same job location. All other roofing is to be separately rated. The making, erecting or stripping of forms in connection with concrete work shall be assigned to the appropriate concrete classification.	5645	5.38%	149
Carpentry - construction or remodeling of dwellings up to three stories in height and private garages in connection therewith - including installation of interior trim, builder's finish, and cabinet work. This classification is applicable only to structures designed primarily as family	5645	5.36%	149

<p>dwellings. It is also applicable to the installation of shingle roofing, or insulation material, but only if installed by the same contractor who performs the carpentry work at the same job location. All other roofing is to be separately rated.</p> <p>Carpentry in connection with the construction or remodeling of detached 1 or 2 family residences to be separately rated as 5645, "Carpentry."</p> <p>The making, erecting or stripping of forms in connection with concrete work is to be assigned to the appropriate concrete classification.</p>			
<p>Carpentry - shop only - (commercial lumber yards, building material dealers or fuel material dealers to be separately rated). Where a risk deals in any lumber or building materials or in any fuels and materials in addition to performing carpentry shop operations, all yard operations including all drivers, chauffeurs and their helpers shall be rated in the appropriate yard classification.</p>	2883	3.23%	96
<p>Carpet Dealers - use Stores - Floor Covering - retail</p>	8017	0.49%	27
<p>Carpet Cleaning - use Carpet, Rug, or Upholstery Cleaning - N.P.D.</p>	2585	2.57%	79
<p>Carpet Installation - use House Furnishings - N.O.C.</p>	9521	2.27%	72
<p>Carpet, Rug or Upholstery Cleaning - shop or outside - N.P.D. with 9008 - "Janitorial Services," and 9015 - "Building Operation"</p>	2585	2.57%	79
<p>Cash Register - Sales and Service - use Stores - risk - retail - N.O.C. (Sales)</p>	8017	0.49%	27
<p>Office Machines Installation (Service)</p>	5191	0.82%	36
<p>Cat and Dog Hospitals - use Hospitals - Veterinary</p>	8831	5.23%	146
<p>Caterers - use Restaurants</p>	9079	1.27%	47
<p>Cattle Feeders or Raising - use Farms - Stock Farms</p>	0038	12.76%	
<p>Ceiling Installation - Suspended acoustical grid type. Insulation work shall be separately rated.</p>	5020	5.64%	

Cement Mfg. (Excavation or digging, dredging, mining or quarrying to be separately rated) (Hauling of finished product to be rated as 8232 - "Building Material Dealers")	1701	3.25%	96
Cement Work - use			
Concrete or Cement Work	5200	4.31%	
Concrete Construction	5213	5.49%	152
Cemetery Operation - all employees	9220	3.00%	90
Ceramics	4049	5.23%	
Cesspool Digging - use Sewer Construction	6305	7.34%	199
Chamber of Commerce - use			
Clerical Office (inside) N.O.C.	8810	0.17%	19
Salesmen, Collectors, Messengers (outside)	8742	0.36%	24
Charcoal Mfg.	1472	4.32%	123
Charitable Organizations - use			
Clerical (inside) N.O.C.	8810	0.17%	19
Salesmen, Collectors, Messengers (outside)	8742	0.36%	24
Chemical Mixing, Blending and Repackaging Only - not manufacturing of ingredients.	4828	7.59%	
Chemical Products Dealers - use Stores - Retail - N.O.C.	8018	1.44%	51
Chemist - Analytic - use Analytical or Testing Labs	4511	1.54%	54
Child Centers - use Colleges & Schools			
Professors, teachers	8868	0.21%	29
Clerical Office (inside) N.O.C.	8810	0.17%	19
All other employees	9101	2.52%	78
Christmas Tree Selling - retail - use Stores - Risks - Retail - N.O.C.	8017	0.49%	27
Churches:			
(1) Clergy, Professional Assistants, Organists or Members of Choir - including all Clerical Office Employees	8840	0.21%	20
(2) All other employees	9015	3.11%	93
Circuses - use Carnivals or Circuses	9185	25.96%	
Civil Engineers - Consulting - use Engineers - consulting	8601	0.60%	30
Cleaning or Dyeing - including repairing or pressing, including cash & carry departments on plant premises	2586	1.35%	49

Cleaners Pick-up Station - Store Risks - Retail - N.O.C.	8017	0.49%	27
Clearing land - all operations	2702	1.35%	341
Clerical Office Employees - N.O.C. The use of this classification is subject to the provisions of the Manual Rules and Standard Exceptions.	8810	0.17%	19
Clinics - use Physicians or Dentists	8834	0.68%	
Cloth Printing - use Printing Operation	4299	1.95%	64
Cloth Sponging - use Cleaning or Dyeing	2586	1.35%	79
Clothing Mfg. - including Embroidery	2501	0.46%	27
Clothing Wearing Apparel or Dry Goods Store - retail - use Stores - clothing - manufacturing operations	8008	0.60%	30
Clothing, wearing apparel or dry goods stores - wholesale or combined wholesale and retail - use stores - clothing - no manufacturing	8032	0.51%	28
Clubs - Country, golf, swimming, tennis or yachting - all employees - including restaurant or tavern employees.	9060	1.65%	54
Clubs - Riding - all employees	7207	5.35%	149
Clubs - N.O.C. - all employees - including Clerical Office Employees, Salesmen	9061	1.30%	48
Clubs - Shooting The preparation or serving of hot foods shall be separately rated under Restaurants, 9079	9180	6.95%	189
Coconut Shredding	6504	2.38%	75
Coffin or Casket Mfg. or Assembling - Wood Upholstery operations shall be separately rated as 9522, "Coffin or Casket Upholstery Work"	2881	1.51%	53
Coffin or Casket Upholstery Work	9522	0.75%	34
Cold Storage Lockers - use Stores - Meat, fish or poultry - retail	8031	3.20%	95
Collection Agencies - use Clerical (inside)	8810	0.17%	19
Collectors - Field - use Salesmen, Collectors, Messengers	8742	0.36%	24
Colleges or Schools: Private (not Automobile Schools)	8868	0.21%	20
(1) Professors, Teachers or Professional	9101	2.52%	78

Employees (2) All employees other than professors, teachers or professional employees - including cafeterias			
Commercial Artist - use Clerical (inside)	8810	0.17%	19
Commissary Work - in connection with construction, erection, lumbering or mining operations or petroleum - cooks, waiters, and all other employees engaged in furnishing board or lodging.	9078	2.07%	67
Community Care Facilities for Adults - all employees - N.P.D. with 8823 - "Residential Care Facilities for Children," 8804 - "Alcoholic and Drug Recovery Homes," or 8804 - "Social Rehabilitation Facilities for Adults" This classification shall be applicable to those firms providing community care facilities for residents who are ambulatory and where the facilities are non-medically oriented. When skilled nursing care is provided as an identifiable unit, such nursing care unit shall be assigned to code 8829.	9070	5.23%	
Company owned Aircraft - Pilot - use Aircraft Operation	7424	5.85%	
Composition Sinks and Drainboards Installation - use Furniture or Fixtures - N.O.C.	5146	2.44%	76
Computer Companies - use Data Processing Cos.	8810	0.17%	19
Concrete Block Construction - use Masonry - N.O.C.	5022	6.06%	167
Concrete Bridge Construction - use Concrete Construction	5222	6.45%	167
Concrete Construction - in connection with bridges or culverts - all types - where clearance is more than 10 feet at any point or entire distance between terminal abutments exceeds 20 feet - including making, setting up or taking down forms, scaffolds, falsework, or concrete distributing apparatus; (excavation, reinforcing steel installation, pile driving, all work in tunnels, subways, caissons or cofferdams or on structural metal	5222	6.45%	176



frame members of bridges to be separately rated)			
Concrete Construction - N.O.C. - including foundations, or the making, setting up or taking down of forms, scaffolds, falsework or concrete distributing apparatus - N.P.D. with 5222 - "Concrete Construction - bridges or culverts," - 5040 - "Bridge Building - metal," 5003 - "Bridge or Trestle Construction - wood" or 5506 or 5507 - "Street or Road Construction." (Excavation; reinforcing steel installation; pile driving; all work in connection with sewers, tunnels, subways, caissons or cofferdams to be separately rated)	5213	5.49%	152
Concrete or Cement Work - pouring or finishing of concrete sidewalks, driveways, patios, curbs or gutters - including the making or stripping of forms.	5200	4.31%	
Concrete or Cement Work - pouring or finishing of concrete slabs, poured in place and on the ground for other than concrete buildings or structural steel buildings of multi-story construction - including the making or stripping of forms. This classification also applies to the pouring or finishing of concrete foundations for private residences for occupancy by one or two families or other wood frame family dwellings not exceeding three stories in height and garage ins connection with either. This classification does not apply to the pouring or finishing of any floors of concrete buildings, not to the foundations or any concrete floors poured in place of structural steel buildings of multistory construction.	5200	4.31%	
Concrete or Cement Work - pouring or finishing of precast concrete wall panels, precast floor slabs or precast roof slabs at ground level and at job site - including the making or stripping of forms (reinforcing steel installation to be separately rated) This classification also applies to the pouring or finishing of ground floors of buildings for which precast concrete wall panels, floor slabs or roof slabs become an integral part. It	5214	3.55%	

does not apply to the subsequent erection and placement of panels and slabs; all concrete operations performed in connection therewith, including floors poured in place above the ground floor, shall be separately rated as 5213 - "Concrete Construction - N.O.C."			
Concrete Products Mfg. - shop or yard work only - (drivers, chauffeurs and their helpers to be rated as 8232 - "Building Material Dealers") This classification includes the manufacture of concrete blocks, bricks, poles, piles, beams, sewer pipes, irrigation pipes, tile or similar products at a permanent location. It is not available for payroll division when the work is done at the place where construction operations are carried on or for any plant especially established or operated in connection with such construction work.	4034	7.98%	210
Country Clubs - use Clubs	9060	1.65%	54
Court Reporters - use Clerical Office Employees - N.O.C.	8810	0.17%	19
Cracker Mfg. - use Bakeries & Cracker Mfg.	2003	1.35%	49
Crane - Mobile - Contractors - Truckmen - N.O.C.	7219	4.92%	138
Credit Bureaus - use Clerical Office Employees - N.O.C. (inside)	8810	0.17%	19
Salesmen, Collectors, Messengers (outside)	8742	0.36%	24
Crematory Operators - all employees	9220	6.08%	90
Dance Studios - Instructors - use Colleges or Schools - Teachers	8868	0.21%	20
Data Processing Companies - use Clerical Office Employees - N.O.C.	8810	0.17%	19
Day Nurseries - use Colleges or Schools - Professors or Teachers	8868	0.27%	20
Decorating - use Painting, Decorating or Paper Hanging - N.O.C.	5474	4.07%	117
Decorating - interior or exterior - hanging flags or bunting for conventions or celebrations	9529	11.37%	
Deep Sea Divers and Instructors	6890	13.85%	
Dehydrating - Fruit or Vegetable - use Fruit	2102	5.73%	

or Vegetable Evaporating or Dehydrating			
Delicatessens - use Stores - Delicatessen Stores - N.P.D.	8017	0.49%	27
Delivery Companies - for retail stores exclusively	7230	3.11%	93
Delivery Companies - packages under 100 lbs. - use Parcel Delivery Companies	7198	4.82%	
Demolition of Buildings or Structures	5701	34.17%	750
Demonstrators in Stores - use Salesmen, Collectors or Messengers	8742	0.36%	24
Dental Laboratories - including Foundry or Casting Operations	4692	0.89%	37
Dentists and Dental Surgeons - All Employees - including clerical office employees - N.P.D.	8839	0.55%	
Department Stores - use Stores - Department Stores - Retail	8039	0.68%	32
Detective or Patrol Agencies	7721	6.71%	
Detinning	3372	2.03%	66
Discotheques - use Restaurants	9079	1.27%	47
Discount Stores - use Store Risks - Retail - N.O.C.	8017	0.49%	27
Stores - Department - Retail	8039	0.68%	32
Stores - Furniture - Wholesale and Retail	8015	3.63%	
Dismantling Temporary Warehousing	5703	22.77%	569
Dispatchers - No exposure to operative hazard - Clerical Employees - N.O.C.	8810	0.17%	19
Distilling - N.O.C. (Bottle Mfg. to be separately rated)	2142	5.22%	
Ditching Contractors - see Trenching	6361	3.13%	
Doctor's Office - use Physicians or Dentists	8834	0.68%	
Domestic Service			
Inservants	0913	12%	27
Outservants - including Private Chauffeurs	0912	12%	27
Occasional	0908	6%	21
Door, Door Frame or Sash Erection This classification is applicable only when the door, door frame or sash erection is performed as a separate operation, not a part of, or incidental to, any other construction operations performed by the same contractor at the same job or location.	5102	3.63%	106

Door, Door Frame or Sash Mfg. - Wood covered with sheet metal	3066	3.16%	94
Doughnut Shops - use Store Risks - Retail - N.O.C.	8017	0.49%	27
Draftsmen	8810	0.17%	19
Drag Strips - Operation - use Amusement Parks - (premises)	9016	2.84%	86
Amusement Parks - (track operation)	9180	6.95%	189
Drainage System - Open - use Canal Construction	6361	8.13%	
Drainage Tile Mfg. - use Tile or Earthenware Mfg. - N.O.C.	4041	9.07%	
Drapery Dealers, including installation - use Store Risks - Retail - N.O.C.	8017	0.49%	27
House Furnishing (installation) N.O.C.	9521	2.27%	72
Drapery Mfg. - use Clothing Mfg.	2501	0.46%	27
Draying Companies - use Truckmen - N.O.C.	7219	4.92%	138
Parcel Delivery	7230	3.11%	93
Parcel Delivery Companies	7198	4.82%	
Dredger Construction - use Boat - Ship Building	6843	14.96%	384
Dredging	6223	8.06%	
Dress Shops - use Stores - Clothing, Wearing Apparel	8008	0.6%	30
Dressmaking or Tailoring - Custom Exclusively - not manufacturing - N.P.D.	2503	0.33%	23
Drilling Mud - Haul - use Garbage, Ashes or Refuse Collection	9403	6.29%	172
Drilling - N.O.C. - not oil producing, mining or quarrying - N.P.D.	6204	9.88%	257
Drive-in Restaurant - use Restaurants or Taverns	9079	1.27%	47
Driveway - Asphalt Paving - use Street or Road Construction - Paving	5506	5.47%	152
Driveway - Cement Paving - use Concrete or cement work	5200	4.31%	
Driving Schools, Taxi, Auto Schools - use Automobile Dealers - All other employees	8391	2.35%	74
Drug, Medicine or Pharmaceutical Preparations Mfg. – compounding, blending or packing only - not manufacturing	4611	1.44%	51

ingredients (manufacture of metal containers to be separately rated)			
Drug Stores - use Store Risks - Retail - N.O.C.	8017	0.49%	27
Dry Dock Operation	6872	14.43%	371
Dry Goods Store - Retail - use Stores - Clothing, Wearing Apparel - Retail	8008	0.6%	30
Dry Goods Store - Wholesale & Retail Combined - use Store, Wearing Apparel - Wholesale	8032	0.51%	28
Dry Wall Application including finishing and preparation prior to painting - use Wallboard Application	5445	5.52%	153
Dump Operators - Refuse - use Garbage, Ashes or Refuse Dump Operations	9424	6.08%	
Earthenware Pottery Mfg.	4049	5.23%	
Earthquake Proofing	5703	22.77%	569
Egg Candling or Processing - use Store Risks - Wholesale - N.O.C.	8018	1.44%	51
Egg Production - use Farms - Poultry	0034	2.6%	80
Electric Light or Power Companies - all operations - including construction or extension of lines (construction of buildings, dams or reservoirs to be separately rated) Payroll of meter readers not exposed to operative hazards shall be assigned to 8742 "Salesmen, Collectors, Messengers"	7539	2.28%	72
Electric Light or Power Line Construction	7538	17.5%	448
Electrical Engineers - Consulting - use Engineers - Consulting	8601	0.6%	30
Electrical Machinery or Auxiliary Apparatus Installation or Repair - including incidental wiring (erection of poles, stringing of wires, installation of service transformers on poles or on the outside of buildings, or the making of service connections to be separately rated) This classification is not available for division of payroll of employees of assured engaged in the installation or repair of electrical apparatus on the premises both occupied and operated by the assured. Such payroll must be included in the governing classification.	3724	3.03%	91

Electrical Wiring - within buildings - including storage yard employees, installation or repair of fixtures or appliances (installation of electrical machinery or auxiliary apparatus to be separately rated)	5190	2.93%	83
Electroplating - N.P.D.	3372	2.03%	56
Elevator Erection or Repair	5160	3.65%	106
Elevator Inspecting - including Salesmen, Collectors, or Messengers - no service inspections, oiling, adjusting or repairing	8720	0.59%	30
Elevator Service Inspections, Oiling & Adjusting - no repair	8729	1.72%	
Embroidery Mfg. - use Clothing Mfg.	2601	0.46%	27
Employment Agencies - use Clerical Office - clerical - N.O.C. (inside)	8810	0.17%	19
Salesmen, Collectors, Messengers (outside)	8742	0.36%	24
Engineers - Consulting - Mechanical, Civil, Electrical and Mining Engineers and Architects - not engaged in actual construction or operation - N.P.D.	8601	0.6%	30
Engraving - N.P.D.	3131	3.58%	
Equipment and Machinery Dealers - Second-hand - use Salvage - Machinery and Equipment Dealers	8267	12.69%	
Equipment and Machinery Rental Yards	8227	1.95%	54
Equipment or Supplies Dealer - Second-hand - oil or gas wells	8113	7.91%	
Estimators, Appraisers, etc. - use Inspection for Insurance or Valuation - N.O.C.	8720	0.59%	30
Auctioneers (not livestock)	8090	1.43%	51
Excavation - N.O.C. - including burrowing, filling or back-filling (mass rock excavation, grading or excavation in connection with street or road construction, pile driving, shaft sinking, caisson or cofferdam work to be separately rated)	6217	10.5%	273
Excavation - Rock - no tunneling	1624	8.67%	227
Exercise or Health Institutes - all employees - including restaurant employees; Clerical office employees	9053	1.3%	48
Executive Supervisors - Contracting - use	5606	1.68%	57

Contractors - Construction or Erection - Executive Supervisor			
Exhibitions - see Amusement Parks			
Expanded Shale Aggregate Mfg. - use Cement Mfg.	1701	3.25%	96
Expediter or Office Runner	7196	4.82%	
Express Companies - including employees engaged in railroad transportation	7219	4.92%	138
Exterminators - use Buildings - operation by contractors Termite Control Work	9014 5650	1.92% 6%	63
Extract Mfg. - Perfumery, medicinal or flavoring, including distillation of essential oils	4628	2.27%	72
Eyeglass Mfg. - Optical Goods Mfg. - N.O.C.	4150	1.41%	50
Factory Cost Systematizers - use Auditors	8603	0.14%	19
Fairs - use Amusement Parks or Exhibitions	9016	2.64%	86
Farms Dairy Farms Field Crops Orchards Potato Crops Poultry Raising, Egg Production and Hatcheries Sheep or Goat Raising and Hog Farms Stock Farms	0036 0171 0016 0041 0034 0034 0038	7.35% 8.91% 6.93% 3.55% 2.6% 2.6% 12.76%	80 80
Farm Machinery Dealers including demonstration and repair Display and parts departments physically separated from repair shops and selling parts commercially may be assigned to 8017 - "Hardware Stores." Second-hand "farm" machinery dealers shall be assigned 8267 - "Machinery and Equipment Dealers - second-hand."	8116	3%	90
Feed Dealers	8216	3.52%	103
Fence Construction - Metal or Wood	6400	5.04%	141
Fertilizer Dealers - including spreading - handwork only - use Garbage, Ashes or Refuse Collecting	9403	6.29%	172
Fertilizer Dealers - including inorganic spreading - machine operate equipment	0050	6.29%	

Fiber Preparation - Wood	4239	5.66%	
Fiberglassing Shops - use Boat Building - Construction or Repairing	6834	8%	
Field Crops - use Farms - Field Crops	0171	8.91%	
Film Development Companies - use Photofinishing - all employees	4361	0.6%	30
Filter Pads for Air Coolers - Cloth-filled Excelsior	4239	5.66%	
Fire Alarm Line Construction - use Telephone, Telegraph or Fire Alarm Constr.	7601	4.63%	131
Fire Alarm Systems Installation, Service or Repair - within buildings - including storage and yard employees	7605	3.46%	
Fire Depts - Volunteer - use Municipal - Firemen Volunteer	7707	11.48%	
Fire Fighting - Aircraft - crew - use Aircraft Operation	7419	12.87%	
Fire Sprinkler Installation - use Automatic Sprinkler Installation	5188	4.6%	130
Fireworks Exhibits - use Amusement Parks & Exhibits	9180	6.95%	189
Fireworks Stands - use Store Risks - retail - N.O.C.	8017	0.49%	27
Fish Hatcheries - use Farms - Poultry Raise - Egg Production	0034	2.60%	
Fish Packers	2113	6.01%	
Fish Stores - retail - use Stores - Meat, Fish or Poultry - Retail	8031	3.2%	95
Fish Stores - wholesale - use Stores - Meat, Fish or Poultry - Wholesale	8021	3.76%	109
Fishing Clubs - use Clubs - Country - etc.	9060	1.55%	54
Fishing Rod - Wrapping	2532	2.23%	
Fishing Spinners and Spoons - Mfg. lures from copper or brass - use Hardware Mfg. - N.O.C.	3146	3.28%	97
Fishing Spinners - Stringing beads and spinners on wire	3383	0.86%	37
Five and Ten Cent Stores - use Stores - Five and Ten	8050	0.98%	40
Five and Ten Cent Store - Restaurant serving hot food - use Restaurants	9079	1.27%	47



Fix-it-shop - Electrical Appliances - use Machine Shop - Appliances or Equipment	3632	6.14%	169
Fixture Installation - Portable - Metal or Wood - use Furniture or Fixtures - Installation	5146	2.44%	76
Fixtures or Lamp Mfg. - metal - electric or gas	3180	6.54%	
Flagstone Quarries - use Quarries - N.O.C.	1624	8.67%	227
Flint and Spar Grinding	1741	6.56%	
Flood Lighting - Portable Equipment - use Electrical Machinery or Auxiliary Apparatus	3724	3.03%	91
Floor Covering Dealers - retail - use Stores - Floor Covering Dealers - retail	8017	0.49%	27
Floor Covering Dealers - wholesale and retail - use Stores - Floor Covering Dealers - Wholesale	8018	1.44%	51
Floor Laying - Hardwood, Parquet, Wood Blocks - use Hardwood Floor Laying	5346	5.2%	
Floor Laying - Linoleum, Rubber Tile - use House Furniture - N.O.C.	9521	2.27%	72
Floor Laying Tile - Interior - use Tile, Stone, Mosaic or Terrazzo Work	5348	2.82%	86
Floor Polishing - Hand or Machine - use Buildings - Operations by Contractors	9014	1.92%	63
Florists - cultivating or gardening	0035	2.66%	82
Florists - Stores - including delivery - use Stores - Florists	8001	0.97%	39
Flower Mfg. - Artificial	2632	2.23%	
Flying Clubs - use Aircraft Operations - N.O.C.	7424	5.85%	
Food Distributors - Wholesale - use Store Risks - Wholesale & Retail - N.O.C.	8018	1.44%	51
Food Processing Plants Confections and Food Mfg. - N.O.C.	6504	2.38%	75
Canneries - Fish, or	2113	6.41%	
Canneries - N.O.C. or	2111	1.24%	46
Bakeries & Cracker Mfg.	2003	1.35%	49
Forging Works - Drop or Machine - including trimming, machining of parts and die melding operations	3110	4.13%	
Foundation Contractors - use Carpentry (formwork)	5645	5.36%	149

Concrete Construction - N.O.C.	5213	5.49%	152
Tilt up - cover work	5214	3.55%	
Dwellings	5200	4.31%	
Foundations, Philanthropic - use			
Clerical Office Employees	8810	0.17%	19
Salesmen, Collectors & Messengers (outside)	8742	0.36%	24
Foundries - Aluminum - use Foundries - Non-ferrous - N.O.C.	3085	10.58%	
Foundries - Non-ferrous - N.O.C.	3085	10.58%	
Foundries - Iron - N.O.C.	3081	4.23%	121
Foundries - Steel Castings	3082	9.23%	
Foundry Crucible Mfg. - use Brick or Clay Products Mfg. - N.O.C.	4041	9.07%	
Fountain Pen Mfg.	4432	3.68%	
Freight Handlers - packing, handling or shipping merchandise on docks or railroad platforms (drivers, chauffeurs and their helpers shall be separately rated as 7219 - "Truckmen")	7360	6.53%	178
Fruits - citrus fruit packing and handling - including storage (The growing or harvesting of crops shall be separately rated.)	2108	7.22%	
Fruit - dried fruit packing and handling	2109	6.61%	
Fruit - fresh fruit packing and handling - including storage (The growing or harvesting of crops shall be separately rated.)	2107	6.69%	
Fruit Juices Mfg.	2111	1.24%	46
Fruit or Vegetable Evaporation or Dehydrating - growing or harvesting of crops shall be separately rated	2012	5.73%	
Fruit Preserving	2111	1.24%	46
Fuel and Material Dealers - N.O.C. - No second hand building materials or lumber	8232	3.85%	
Funeral Directors - all employees	9620	1.84%	61
Funeral Escort Service - use Automobiles, Bus, Livery or Taxicab Cos.	7382	2.51%	78
Furniture Assembling (other than metal) from manufacture parts - including finishing Upholstery operations shall be separately rated as 9522, "Furniture - Upholstering"	2881	1.51%	53
Furniture Moving - including packing or handling household goods	8293	4.53%	128

The transportation of furniture under contract for a manufacturer or store: rate as 7219 - "Truckmen, N.O.C."			
Furniture or Cabinet Mfg. - Wood - including assembling or finishing This classification shall include the fabrication of metal parts, if such operations account for less than 50% of the total payroll. Upholstery operations shall be separately rated as 9522, "Furniture - Upholstering"	2883	3.23%	96
Furniture or Fixtures - Installation - Portable - N.O.C. This classification is not applicable to contractors who perform any other carpentry operations at the same job or location.	5146	2.44%	76
Furniture Refinishing - use Painting, Shop	9501	1.08%	42
Furniture Sales - use Stores, Furniture	8015	3.63%	
Furniture - Upholstering	9522	0.75%	34
Galvanizing or Tinning - not electrolytic - N.P.D.	3373	5.23%	146
Garages - Automobile Repair - use Automobile - Automobile Truck Garages	8389	5.51%	
Garbage, Ashes, or Refuse Collecting Dump operations to be separately rated as 9424 - "Garbage, Ashes or Refuse Dump Operations"	9403	6.29%	172
Garbage, Ashes or Refuse Dump Operations - all employees This classification includes gate attendants and cashiers who receive payments from customers Collections of garbage, ashes or refuse to be separately rated as 9403 - "Garbage, Ashes, or Refuse Collecting."	7590	6.22%	181
Garbage Works - Incineration - use Garbage, Ashes or Refuse Collecting	9403	6.29%	172
Garden Supply Stores - use Stores - Garden Supply Stores - N.O.C.	0005	3.62%	106
Garden Vegetable Raising - use Farms - Truck Farms & Vineyards	0017	3.94%	
Gardening - Landscape - use Landscape Gardening	0042	3.27%	97
Gardeners - Private - Full time - use	0912	12%	27

Domestics - Outservant			
Gas, Compressed - Dealers & Distributors	4835	4.52%	128
Gas Fixtures Mfg. - use Furniture or Fixtures Installation - N.O.C.	3180	6.54%	
Gas Mains or Connections Construction - including tunneling at street crossings (all other tunneling to be separately rated) This classification is not applicable to construction of pipe lines between natural gas producing fields and points of connection with local distributing systems.	6319	4.19%	120
Gas or Oil Dealers	8350	2.36%	74
Gas Works - all operations - including construction or extension of lines Payroll of meter readers not exposed to operate hazards shall be assigned to 8742 - "Salesmen, Collectors or Messengers."	7500	1.65%	56
Gasoline or Oil Dealers - wholesale - including mixing or blending; drivers, chauffeurs and their helpers	8350	2.36%	74
Gasoline Recovery	4743	2.09%	
Gasoline Tank Installation			
Excavation	6217	10.5%	273
Plumbing	5183	2.74%	84
Concrete	5213	5.49%	152
Millwright, if pumps installed	3724	3.03%	91
Geophysical Exploration - including mapping of sub-surface areas; drivers, chauffeurs and their helpers Core drilling shall be assigned to 6204 - "Drilling - N.O.C."	8604	2.5%	
Gift Shops - use Stores - Risks - Retail - N.O.C.	8017	0.49%	27
Gland Trimming - use Stores - Meat, Fish or Poultry Dealers	8021	3.76%	109
Glass Block Structures - Erection - use Masonry - N.O.C.	5022	6.06%	167
Glass Merchants - including bending, grinding, beveling or silvering plate glass	4130	3.2%	95
Glass Mfg. - cut	4111	2.98%	
Glass Mfg. - Plate, Sheet, Window	4103	1.56%	
Glass Sign Mfg. - use Glass Merchants	4130	3.2%	95

Glassware - Etching or Frosting - use Glass Merchants	4130	3.2%	95
Glassware - Hand Painting - Painting - Shop Only	9501	1.08%	42
Goat Raising - use Farms - Dairy Farms & Sheep Raising	0036	7.35%	
Gold Leaf Mfg. - use Jewelry Mfg.	3383	0.86	37
Gold Plating - use Electroplating - N.P.D.	3372	2.03%	66
Gold Refinishing	1438	14.04%	
Golf Clubs - use Clubs - Country, Golf, Swimming	9060	1.55%	54
Golf Club - Miniature - Operation - use Clubs - Country, Golf, etc.	9060	1.55%	54
Grading Land - N.O.C. - including borrowing, filling, or back-filling (Mass rock excavation, grading or excavation in connection with street or road construction, pile driving, shaft sinking, caisson or cofferdam work to be separately rated)	6217	10.5%	273
Grading of Parking Lots or Driveways - Off Street - use Grading Land - N.O.C.	6217	10.5%	273
Grading Streets or Road - use Street or Road Construction	5507	5.53%	153
Grain Dealers	8215	3.52%	103
Grain or Rice Milling	2014	5.14%	144
Grandstands - Temporary - Installation - not by a building contractor - use Scaffolds, Concrete or Cement Distributing Towers, etc.	9529	11.37%	
Grape Growing - use Farms - Vineyards	0040	3.33%	
Grapefruit Growing - use Farms - Orchards	0016	6.93%	
Graphite Works	1452	6.13%	
Gravel Digging	4000	8.35%	219
Grease or Oil Mixing - use Gasoline or Oil Dealers	8350	2.36%	74
Grease Rack Installation - use Millwright Work	3724	3.03%	91
Grinding Shops - use Machine Shops - N.O.C.	3632	6.14%	169
Grocery Stores - including Meat - use Stores - Meat, Groceries & Provision	8033	1.62%	56

Grocers - Wholesale - use Store Risks - Wholesale & Retail - N.O.C. Chauffeur (delivery)	8018 7380	1.44% 1.86%	51 62
Grocery Stores - No fresh meat - use Stores - Grocery - Retail - no fresh meat	8006	0.79%	35
Ground Schools - Aircraft - use Aircraft Operation - Ground School	7428	3.17%	
Guards - use Watchmen or Guards	7721	6.71%	
Guides or Pack Trains - use Stables	7207	5.35%	149
Gun shops -use Stores - Hardware - retail (sales) Machine Mfg. - N.O.C. (repair)	8010 3574	1.27% 2.83%	47
Guniting Contractors - use Concrete Construction - N.O.C.	5213	5.49%	152
Hair Goods - human	2532	2.23%	
Halls - Clubs (American Legion, Masons, Knights of Columbus, etc.) use Clubs - N.O.C.	9061	1.3%	48
Hardware Mfg. - N.O.C.	3146	3.28%	97
Hardware Stores - retail - use Stores - Hardware Stores - Retail	8010	1.27%	47
Hardwood Floor Laying - including finishing	5436	2.74%	
Hat Mfg. - cloth - use Clothing Mfg.	2501	0.46%	27
Hat Mfg. - Mfg. of plastic components to be separately rated	2501	0.46%	27
Hatcheries - Chicken - use Farms - Poultry Raising, Egg Production	0034	2.6%	80
Health Food Stores - use Store Risk - Retail - N.O.C.	8017	0.49%	27
Health Institutes - use Exercise or Health Inst. - N.O.C.	9053	1.30%	48
Hearing Aid Stores - use Store Risks - Retail - N.O.C.	8017	0.49%	27
Heavy Equipment Operator	7219	4.92%	138
Heat Treating - Metal - N.P.D.	3146	3.28%	97
Heating and Ventilating Contractors - use Sheet Metal Work - N.O.C.	5538	4.93%	138
Helicopter Operation - use Aircraft Operation - Helicopter - N.O.C.	7425	19.31%	
Hemstitching, Pleating, Buttonholing - use Dressmaking or Tailoring	2503	0.33%	23

Hi-fi or Phonograph Cabinet Mfg. - use Cabinet Works	2883	3.23%	96
Hobby Shops - use Store Risks - Retail - N.O.C.	8017	0.49%	27
Hog Feeders or Raising use Sheep Raising & Hog Farms	0034	2.60%	80
Hollow Tile Construction - use Masonry - N.O.C.	5022	6.06%	167
Homes for Aged - all employees - N.P.D. with 8823 - “Residential Care Facilities for Children,” 8804 - “Alcoholic and Drug Recovery Homes,” or 8804 - “Social Rehabilitation Facilities for Adults” This classification shall be applicable to those firms providing community care facilities for residents who are ambulatory and where the facilities are non-medically oriented. When skilled nursing care is provided as an identifiable unit, such nursing care unit shall be assigned to code 8829	9070	5.23%	
Homemaker Services	8827	5.11%	
Homeowners Assns - not bldg. operations This classification contemplates maintenance of grounds, operation of pools, tennis courts, saunas, gyms, recreational or clubhouses and security personnel functions. Rate separately operation such as golf courses, stables, restaurants, clinics, boat marinas, day nurseries, water works and fire departments.	9066	5.21%	
Horse Stables - use Stables	7207	5.35%	149
Horse Shows: (1) Stablemen	7207	5.35%	149
(2) Operation; care, custody and maintenance of premises; operation of elevators or heating, lighting or power apparatus - including policemen, watchmen, musicians, box office employees, ticket sellers, or gate attendants Operation or maintenance of amusement devices restaurant or stores to be separately rated.	9016	2.84%	86
Hospital Equipment Rental - use Store Risk -	8017	2.50%	27

Retail - N.O.C.			
Hospitals - all employees - including Clerical Office Salesmen In determining the premium charge for student nurses or interns, such premiums shall be computed on the basis of an average wage of at least \$45 per week plus board and lodging.	9043	2.73%	
Hospitals - Veterinary	8831	2.66%	146
Hotels - all employees - The payroll of "front desk" employees, such as, but not limited to, cashiers or information and reservation clerks, shall be assigned to this classification. The payroll of employees engaged exclusively in connection with restaurant or tavern operations shall be rated as code 9079 - "Restaurants or Taverns"	9050	5.67%	
House Furnishings - N.O.C. - Installation - Including Upholstering	9521	5.20%	72
House Moving or Raising - use Build, Raising or Moving	5703	17.75%	569
Household Appliance Dealers - Retail - use Stores; Store Risk - Retails - N.O.C.	8017	0.49%	27
Household Appliance Dealers - Wholesale or Wholesale and Retail Combined - use Stores; Store Risks Wholesale - N.O.C.	8018	1.44%	51
Household Appliances - Electrical - Installation, Service or Repair This classification includes shop or outside employees, incidental parts department employees, electrical wiring to be separately rated.	9519	1.74%	59
Housekeeper - Private Residences - Full Time - use Domestic Inservants	0913	12	27
Ice Cream Mfg. - Mixing - use Creameries & Dairy Products Mfg.	2063	4.61%	
Ice Dealers - natural or artificial ice, including taking ice from storage (icing or re-icing of railroad cars to be separately rated)	8203	5.29%	147
Ice Mfg. (Drivers, chauffeurs and their helpers to be separately rated under 8203 - "Ice Dealers")	2150	8.21%	215



Importers - Exporters - use Clerical Office Employees - N.O.C. Salesmen, Collectors, Messengers	8810 8742	0.17% 0.36%	19 24
Incineration Garbage - use Garbage, Ashes, Refuse Collection	9403	6.29%	172
Insect Control - Spraying by Fill Guns - Handwork or Machine - use Buildings - Operations by Contractors	9014	1.92%	63
Inservants - Full time - use Domestic - Inservants	0913	12%	27
Inspection for Insurance or Valuation Purposes - N.O.C. including Salesmen, Collectors, Messengers	8720	0.59%	30
Installation of Furniture or Fixtures - Portable - Metal or Wood - use Furniture or Fixtures - Installation - N.O.C.	5146	2.44%	76
Instrument Dealers - use Store Risks - Retail - N.O.C.	8017	0.49%	27
Instrument Mfg. - Professional or Scientific - N.O.C. The repair of instruments away from shop shall be separately rated	3681	1.65%	58
Instrument - Professional or Scientific - Installation, Service or Repair - away from shop - not office machines	5128	3.94%	
Insulation Work - installation or application of acoustical or thermal insulating materials in buildings or within building walls - N.O.C.	5479	3.2%	95
Insurance Adjusters - use Salesmen, Collectors or Messengers (outside)	8742	0.36%	24
Intercom System Installation inside buildings - use Electrical Wiring	5190	2.93%	83
Interior Decorating - use Painting, Decorating or Paper Hanging - N.O.C.	5474	4.07%	117
Investment Companies - use Clerical Office Employees (inside) N.O.C. Salesmen, Collectors, Messengers (outside)	8810 8742	0.17% 0.36%	19 24
Iron or Steel Erection - N.O.C. 81114	5102	3.63%	106
Iron or Steel Merchants - not junk dealers or iron or steel scrap dealers	8106	4.60%	132
Iron or Steel Scrap Dealers - see Salvage Material Dealers	8265	15.92%	406

Iron or Steel Works - Shop - Fabricating or Assembling Structural Iron or Steel - N.P.D. with 3040 - "Iron or Steel Works" (casting of steel or rolling mills to be separately rated)	3030	6.96%	189
Iron, Steel, Brass, Bronze or Aluminum Erection - Non-structural - within buildings This classification includes all the following and similar metal features of construction within buildings, railing, bank cages and similar grille work, metal wall paneling, and movable steel partitions (staircases to be separately rated.)	5102	3.63%	106
Iron Works - Shop - fabricating, assembling or manufacturing ornamental brass, bronze or iron work; railings, balconies; fire escapes; staircases; iron shutters or other non-structural iron or steel work - N.P.D. with 3030 - "Iron or Steel Works" (Casting of steel or rolling mills to be separately rated)	3040	12.8%	330
Irrigation, Drainage or Reclamation Works Operation - all work incidental to maintenance and operation of irrigation, drainage or reclamation districts; N.P.D. with "Farms." (Additions to, alterations, or construction of irrigation or drainage systems, pile driving, dredging, tunneling, dam or sewer construction to be separately rated.)	0251	2.34%	74
Irrigation Pipe Installation - agricultural - all operations	6364	8.32%	
Irrigation Systems Construction - open channel - use Canal, Construction	6361	8.13%	
Jail Cell - Iron Work Installation - use Boiler Installation - Repair or Setting	3726	17.23%	441
Janitorial Services - use Bldg. - Operation by Contractors This classification includes incidental maintenance operations performed in connection with the janitorial services. This classification is not applicable at a location where the employer provides property management services.	9014	1.92%	63
Jetty or Breakwater Construction - all	6361	8.13%	

operations to completion (Caissons, cofferdam work, pile driving and quarries to be separately rated			
Jet Ski Operations	9180	6.95%	189
Jewelry Stores - Wholesale or Retail Stores - use Jewelry Wholesale - Retail	8013	0.83%	23
Judo Schools - use Athletic Teams or Parks	9181	6.46%	
Juice - Citrus Mfg.	2111	1.24%	46
Junk Dealers - use Salvage - Junk Dealers - N.O.C.	8265	15.92%	406
Junk Yard - Auto - use Automobile or Automobile Truck Dismantling	3821	11.64%	301
Kennelmen	8831	5.23%	146
Kitchen Exhaust Ducts - Cleaning - use Buildings - Operations by Contractors	9014	1.92%	63
Kitchen Vent Installation - use Millwright Work	3724	3.03%	91
Labor Unions - employees engaged outside of office - including Salesmen, Collectors, or Messengers	8765	0.89%	37
Laboratories - Medical - use Physicians or Dentists	8834	0.68%	
Laboratories - Research - use Analytical or Testing Lab	4511	1.45%	54
Land Leveling - grading farm lands	5217	10.5%	273
Landscape Gardening - all operations - including maintenance of gardens The excavating, transporting and transplanting of mature trees shall be rated as 7219 "Truckmen"	0042	3.27%	97
Laundries - N.O.C. - all employees - including cash and carry departments on plant premises	2585	2.57%	79
Laundromats - coin operated - self services - use Store - Risks - Retail - N.O.C.	8017	0.49%	27
Laundry Equipment Dealers - use Machinery Dealers - N.O.C.	8017	0.49%	27
Laundry Pick up Station - Store Risks - Retail - N.O.C.	8017	0.49%	27
Laundry Pick up Station with minor repairs - use Laundries - N.O.C.	2585	2.57%	79
Lawn Mower Sharpening - use Machine	3632	6.14%	169

Shops - N.O.C.			
Lead Burning - use Welding or Cutting	3365	9.37%	244
Leaders - Fishing - Silk Mfg.	2222	1.47%	52
Leasing Cos. - other than auto - use Contractors Permanent Yards	8227	1.95%	64
Store Risks - Retail - N.O.C. (sales)	8017	0.49%	27
Leather Embossing - use Tanning	2623	8.70%	
Leather Goods Stores - use Store Risks - Retail			
Lemon Growing - use Farms - Orchards	0016	6.93%	
Lens Mfg. - ground and polished lenses	4150	1.41%	50
Libraries (1) Librarians or Professional Assistants - including Clerical Office Employees	8810	0.17%	19
(2) All other employees	9015	3.11%	93
Lighting Fixture Dealers - use Store Risks - Retail - N.O.C.	8017	0.49%	27
Store Risks - Wholesale & Retail	8018	1.44%	51
Electrical Wiring (Installation)	5190	2.93%	88
Lightweight Aggregate Building or Insulation Materials (such as perlite, pozzolan or expanded shale) Mfg. - use Cement Mfg.	1701	3.25%	96
Lime Mfg. - use Cement Mfg.	1701	3.25%	96
Limestone Quarries - use Quarries - Cement, Rock	1624	8.67%	227
Linen Supply Service - use Laundries	2585	2.57%	79
Laundries - Route Supervisor	2585	2.57%	79
Linoleum Dealers -use Stores - Floor Covering Dealers - Retail	8017	0.49%	27
Linoleum Laying - use House Furnishings - N.O.C.	9521	2.27%	72
Linotype or Hand Composition - N.P.D.	4308	0.41%	25
Liquidators Store Risks - Retail - N.O.C. Disposing of merchandise through store outlet	8017	0.49%	27
Auctioneers (not livestock)	8090	1.43%	51
Liquor Distributors - use Store Risks - Wholesale or Retail, or Wine or Spirit Merchants or Beer or Ale Dealers	8018	1.44%	51
	7392	6.68%	

Liquor Stores - use Store Risks - Retail - N.O.C. Chauffeurs (Delivery)	8017 7380	0.49% 1.86%	27 62
Lithographing - use Printing	4299	1.95%	64
Loan Companies - use Clerical (inside) employees - N.O.C. Salesmen (outside), Collectors, Messengers	8810 8742	0.17% 0.36%	19 24
Locksmithing - use Stores - Hardware - Retail	8010	1.27%	47
Lodges - use Hotels	9050	5.57%	
Luggage Stores - use Store Risks - Retail - N.O.C.	8017	0.49%	27
Machinery and Equipment Dealers - Second- hand - use Salvage - Machinery & Equipment Dealers	8267	12.69%	
Machinery Dealers - N.O.C. - including demonstration and repair (installation and repair operations away from premises of assured to be separately rated) Display and parts departments physically separated from repair shop and selling parts commercially shall be assigned to 8017 - “Hardware Stores” Second-hand machinery dealers shall be assigned 8267 - “Machinery and Equipment Dealers - Second-hand”	8107	4.19%	120
Machine Shop - N.O.C.	3632	6.14%	169
Machinery Rental Yards - use Contractor’s Permanent Yards	8227	1.95%	64
Magazine Distributors - not Retail - use New Agents or Distributors	8745	2.05%	66
Mail Delivery Cos. - use Parcel Delivery Cos.	7198	4.82%	
Mailing or Addressing Companies - including Clerical Office Employees - N.P.D.	8800	0.39%	25
Manual Training or Job Corps Schools	9015	3.11%	93
Marine Appraisers or Surveyors	7248	2.29%	
Marine Supply Stores - use Stores - Hardware - Retail	8010	1.27%	47
Masonry - N.O.C. This classification cannot be used for masonry work in connection with	5022	6.06%	167

classification 6306 - "Sewer Construction."			
Massage Parlors - use Baths - N.O.C.	9053	1.3%	48
Meat Dealers - Wholesale - use Stores - Meat, Fish, Poultry	8021	3.76%	109
Meat Grocery and Provision Stores - use Stores - Meat, Grocery or Provisions	8033	1.62%	56
Meat Stores - Retail - use Stores - Meat, Fish or Poultry	8031	3.2%	95
Mechanical Engineers - Consulting - use Engineers	8061	0.60%	
Medical Equipment and Supply Dealers - use	8017	0.49%	27
Store Risks - Retail Employees - N.O.C. or Store Risks - Wholesale & Retail	8018	1.44%	51
Men's Clothing Stores - use Stores - Clothing, Wearing Apparel	8008	0.60%	30
Messengers - Outside - No Delivery - use Salesmen, Collectors or Messengers	8742	0.36%	24
Metal Awning Installation - use Iron, Steel, Brass, Bronze or Aluminum	5102	3.63%	106
Metal Ceilings Installation - use Sheet Metal Work - N.O.C.	5538	4.93%	138
Metal Loading Platform Erection	5057	21.33%	153
Metal Scrap Dealers - Iron or Steel - use Salvage Material Dealers	8265	15.92%	408
Metal Scrap Dealers - Non-ferrous - use Salvage Material Dealers	8500	7.12%	193
Metal Tank Erection - not elevated	5057	21.33%	533
Metal Wall Paneling Erection within Buildings - use Iron, Steel, Brass, Bronze or Aluminum	5102	3.63%	106
Millwright Work - N.O.C. - Erection or Repair of Machinery or Equipment This classification is not available for division of payroll of employees of insured engaged in millwright work on the premises both occupied and operated by the insured. Such payroll shall be included in the governing classification.	3724	3.03%	91
Mimeographing Service - use Printing	4299	1.95%	64
Miniature Golf Course - Operation - use Clubs - N.O.C.	9050	1.55%	54

<p>Mobile Crane and Hoisting Service Contractors - N.O.C. - all operations - including yard employees</p> <p>This classification shall apply to hoisting or lifting operations requiring the use of mobile hoisting equipment, block and fall, jacks, shoring timbers, rollers, ropes and cables including transportation of such equipment to and from work sites.</p>	7219	4.92%	138
<p>Monument &amp; Headstone Erection - use Masonry - N.O.C.</p>	5022	6.06%	167
<p>Monument or Headstone Mfg. - use Stone Cutting or Polishing - N.O.C.</p>	1803	3.4%	100
<p>Mortgage Cos. - use Clerical Office Employees (inside) N.O.C.</p>	8810	0.17%	19
<p>Salesmen (outside), Collectors, Messengers</p>	8742	0.36%	24
<p>Inspection for Insurance</p>	8720	0.59%	30
<p>Mosaic Work - Interior Construction Only - use Tile, Stone, Mosaic Work</p>	5348	2.82%	86
<p>Motels - all employees including Clerical Office Employees</p> <p>The payroll of employees engaged exclusively in connection with restaurant or tavern operations shall be rated as code 9079 "Restaurants or Taverns."</p> <p>Exception: If the work of clerical employees pertains to both operations, their payroll shall be assigned to that classification with the larger payroll.</p>	9050	5.87%	
<p>Motion Pictures</p> <p>(1) Production - in studios and outside - all operations up to the development of negatives</p> <p>The actual remuneration of production directors, players or entertainers or musicians must be included, subject, however, to a maximum of \$100.00 per week per person.</p>	9610	4.56%	129
<p>(2) Development of negatives, printing and all subsequent operations except the marketing of the product through film exchanges at locations other than the studio.</p>	4360	0.89%	37
<p>(3) Film Exchanges - not located at motion picture studio, including projection rooms; Clerical Office Employees.</p>	4362	0.72%	30

Motion Picture Projector and Camera Repair - use Instrument Mfg. - N.O.C.	3681	1.65%	56
Motorcycle Dealers - all operations, including accessory or spare parts sales, Salesmen	8400	3.62%	
Motorcycle, Motorscooter Dealers (or Rentals) - use Automobile or Auto Truck Dealers	8810	0.17%	19
Clerical Office Employees - N.O.C.	8748	0.57%	29
Automobile Salesmen	8391	2.35%	74
Automobile - all others			
Municipal, Township or County Employees: (1) Clerical Office Employees - N.O.C.	8810	0.17%	19
(2) County Road Districts or Departments - all operations, including shop, yard and store employees engaged in the maintenance, repair and storage of equipment and supplies (tunneling, subway construction, grade separation work, bridge construction, or pile driving to be separately rated)	9422	3.71%	
(3) County Superintendent of Schools Office - all employees including Clerical Office Employees	8875	1.47%	
(4) Curators, or Professional Assistants, including Clerical Office Employees	8838	0.17%	19
(5) Firemen - not Volunteers, including all employees of Fire Department	7706	8.71%	
(6) Firemen - Volunteers, serving with our without remuneration, subject to per capita charge.	7707	11.48%	
(7) Institutional Employees - Hospitals, sanitariums, rest home for the aged - all employees, including Clerical Office Employees, Salesmen, not Jail or Prison Employees.	9043	2.73%	
In determining the premium charge for student nurses or interns, such premiums shall be computed on the basis of an average wage of at least \$45 per week plus board and lodging.			
(8) Librarians or Professional Assistants, including Clerical Office Employees	8810	0.17%	19
(9) Municipal or County Employees not engaged in manual labor, clerical office duties, nor in immediate charge of	9410	2.46%	



<p>construction or erection work This classification includes employees engaged in laboratory work, inspectors of the Board of Health, electrical inspectors, building inspectors, meter readers, engineers not engaged in actual construction or operation, salesmen, and similar occupations.</p> <p>(10) All other Municipal or County Employees - N.O.C., including laborers, workmen, mechanics, storekeepers, and utility employees (new construction work or electric light or power department operations to be separately rated)</p> <p>(11) Policemen, sheriffs, constables, marshals, pound keepers, game and fish wardens and jailers, including deputies, volunteers.</p> <p>(12) Policemen, sheriffs, constables, marshals, pound keepers, game and fish wardens and jailers, including deputies, volunteers, serving with or without remuneration, subject to a per capita charge.</p> <p>The minimum remunerations provision contained in the general rule of the manual applicable to executive officers of a corporation shall not apply to this classification.</p> <p>(13) Public Colleges or Schools - All Employees, including Cafeteria and Clerical Office Employees, Messengers.</p>	9420	9.82%	
	7720	2.38%	75
	7722	14.09%	
	8875	1.47%	
Museum			
(1) Curators or Professional Assistants, including Clerical Office Employees	8838	0.17%	19
(2) All Other Employees, including Taxidermists	9015	3.11%	93
Neon Sign Installation - use Sign Erection or Repair	9552	7.28%	197
Neon Signs - Mfg. - Metal Backgrounds - use Sheet Metal Products Mfg. - N.O.C.	3056	3.16%	94
Neon Tube - Banding and Charging	4112	1.04%	41
Nets, Slings, Rope Ladders, etc., Assembling for Rigging	8227	1.95%	64
News Agents or Distributors of Magazines	8745	2.05%	66

or Other Periodicals - not retail dealers - including Salesmen (Sale or delivery papers to customers for their personal use - and not for resale - rate separately)			
Newsboys using Motor Vehicles - use Chauffeurs, Drivers and their Helpers	7380	1.86%	62
Newspaper Distributors - not retail - use News Agents or Distributors (or Newspaper Delivery 4312)	8745	2.05%	66
Newspaper Delivery This classification applicable to persons delivering papers to customers for their personal use - not for resale Use actual pay, but not less than \$2.00/person/day/each day newspapers delivered.	4312	2.83%	
Newspaper Publishing: (1) Editing, Designing, Proofreading, and Photographic Composing including Clerical Office Employees, Drivers, Chauffeurs and their helpers shall be separately rated 4304 "Newspaper Publishing." (2) Reporters, Advertising or Circular Solicitors All (3) All other Employees - including miscellaneous employees	8807 8742 4304	0.67% 0.36% 1.95%	 24 64
News Stands - use Store Risks - Retail - N.O.C.	8017	0.49%	27
Night Clubs - use Restaurants	9079	1.27%	49
Night Watchmen - use Watchmen	7721	6.71%	
Novelty Stores - Store Risk - Retail - N.O.C.	8017	0.49%	27
Nurse - Private - Full-time - use Domestics - Inservants	0913	12%	27
Nursery - Day - see Colleges or Schools	9101	2.52%	78
Nursing Homes - all employees	8829	1.73%	58
Nut Growing - use Farms - Orchards	0016	6.93%	
Nuts - Shelling	6504	2.38%	75
Occupational Therapists - use Physicians or Dentists	8834	0.68%	
Oculists - use Physicians or Dentists	8834	0.68%	
Office Building - use Buildings - N.O.C.	9015	3.11%	93

Office Equipment Dealers - use Store Risks - Retail - N.O.C.	8017	0.49%	27
Stores - Furniture - Wholesale - Retail	8015	3.63%	
Office Machine Installation, Inspection, Adjustment or Repair - N.O.C. - shop and outside (manufacturing to be separately rated)	5191	0.82%	36
Oil Burner - Installation - use Plumbing - N.O.C.	5183	2.74%	84
Oil Distributors - use Gasoline or Oil Dealers	8350	2.36%	74
Oil Filters - Installation on Machinery - use Millwright Work - N.O.C.	3724	3.03%	91
Optical Goods Dealers - use Stores - Jewelry	8013	0.32%	23
Opticians - use Stores; Jewelry	8013	0.93%	23
Optometrists - use Physicians or Dentists	8834	0.68%	
Orchards - Growing - use Farms - Orchards	0016	6.93%	
Orthopedic Equipment Stores - use Store Risks - Retail - N.O.C.	8017	0.49%	27
Orthopedic Equipment Mfg. - use Machine Shops - N.O.C.	3632	6.14%	169
Outboard Motor Repair - use Machine Shops - N.O.C.	3632	6.14%	169
Outdoor Advertising Cos. - use Advertising Companies - outdoor	9549	4.79%	
Outservants - including Private Chauffeurs - use Domestics	0912	12%	27
Outside Salesmen - use Salesmen, Collectors, Messengers	8742	0.36%	24
Oxygen or Hydrogen Refilling including tank charging	4635	4.52%	128
Packing and Crating Cos. - use Stores - Wholesale & Retail	8018	1.44%	51
Warehouses - General Merchandise	8292	2.93%	88
Paint Stores - use Stores, Retail	8017	0.49%	27
Painting - automobile bodies - including incidental sending - N.P.D. with 3808 - "Automobile or Motorcycle Assembling," 3815 - "Automobile Truck or Automobile Truck Trailer Mfg. or Assembling," 3815 - Automobile Body Mfg.," 2797 - "Automobile Body Mfg.," 2797 - Mobile	9505	1.06%	42

Home Mfg.,” or 2797 - “Recreational Vehicle Mfg.” (Body and fender repairing shall be separately rated) This classification shall apply only to a physically separated department engaged exclusively in painting operations with no interchange of employees.			
Painting Cloth	2417	2.3%	73
Painting, Decorating or Paper Hanging - N.O.C. - including shop operations (Painting steel structures or bridges to be separately rated)	5474	4.07%	117
Painting Glassware by Hand - use Painting - shop only	9501	1.08%	42
Painting, Shop Only - N.P.D. in manufacturing plants or with 5474 “Paint Decorating or Paper Hanging”	9501	1.08%	42
Painting - Steel Structures or Bridges (painting of oil or gasoline storage tanks to be separately rated)	5040	18.04%	461
Paper Box Mfg. - Folding - use Box Mfg. - Folding - N.O.C.	4243	3.61%	105
Paper Box Mfg. - Solid - use Box Mfg. - Solid Paper Box	4240	1.89%	62
Paperhanging - use Painting - Decorating or Paperhanging	5474	4.07%	117
Parachute Jumping - use Aircraft Operations - Stunt, Race or Parachute Jumping	7419	12.87%	
Parcel Delivery Companies - no bulk merchandise or freight This classification shall not be assigned if 10% or more of the individual packages delivered weight over 100 lbs., or if the combined weight of all items delivered at any one stop exceeds 200 lbs for 10% or more of all deliveries	7198	4.82%	
Pari-Mutual Employees - Race Tracks - use Theaters	9154	0.51%	28
Parking Lots - Automobile - use Automobile or Automobile Truck Storage	8392	2.14%	69
Parking Meters - Collection or Coins - use Vending or Coin Operations	5192	1.28%	47
Parking Meters - Installation - use Fence	6400	5.04%	141

Construction			
Parquet Floor - Installation - use Hardwood Floor Laying	5436	7.77%	
Patrolmen or guards in connection with industrial plants, water works, etc.	7721	6.71%	
Paving - use Street or Road Construction	5506	5.47%	152
Paving - Parking Lots or Driveways - Off-street - use Street or Road Construction	5506	5.47%	152
Pest Control - All Operations - Including Yard Employees; Salesmen, Estimators (Termite control and the spraying of orchards and farm crops to be separately rated) This classification applies to operations involved in the control and extermination of pests by the use of pesticides, rodenticides and fumigants.	9031	4.34%	27
Pet Shops - use Store Risks - Retail - N.O.C.	8017	0.49%	27
Petroleum Operations - N.O.C.	6214	10.96%	
Phonograph Record Shops - use Store Risks - Retail - N.O.C.	8017	0.49%	27
Photo Engraving - N.P.D.	4351	0.27%	22
Photo Finishing - All Employees - N.P.D. with 4360 "Motion Pictures - Development of Negatives"	4361	0.6%	30
Photographers - All employees	4361	0.6%	30
Photo Typesetting - All Operations, including Clerical Office Employees - N.P.D. This classification shall apply to specialty typesetting firms producing cold copy type or reproduction proofs by photographic methods including all incidental camera work.	4297	0.77%	
Physical Culture Studios - use Exercise or Health Institutes	9053	1.3%	48
Physical Therapists - use			
Physicians and Dentists (in office)	8834	0.68%	
Hospitals and Public Health (in hospital)	9043	2.73%	
Physicians - All employees, including Clerical Office Employees - N.P.D.	8834	0.68%	
Piano Stores - use Store Risks - Retail - N.O.C.	8017	0.49%	27
Piano Tuning - use Office Machines	5191	0.82%	36
Pickle Mfg.	2106	8.29%	

Picture Frame Assembly - use Furniture Assembling	2881	1.51%	53
Picture Frame Shops - use Store Risks - Retail - N.O.C. Furniture Assembly	8017 2881	0.49% 1.51%	
Pile Driving	6003	12.51%	323
Pipe, Irrigation - Installation - use Irrigation Pipe Installation	6364	8.32%	
Pipe Line Construction - Cross Country - Water - use Cross Country Water Pipe Line	6361	8.13%	
Pizza Parlors - use Restaurants	9079	1.27%	47
Plaster Statuary or Ornament Mfg.	4038	1.47%	25
Plastering or Stucco Work	5480	3.2%	95
Platform (loading) Metal - Erection - use Iron or Steel Erection - N.O.C.	5057	21.33%	53
Players, Entertainers, Musicians - use Theaters - Players, Entertainers, Musicians Restaurants or Taverns Radio or Television - all other employees	9156 9079 7610	0.31% 1.27% 0.24%	23 47 21
Playgrounds - use Amusement Parks or Exhibitions Amusement Parks or Operation & Maintenance	9016 9180	2.84% 6.95%	86 189
Plumbers' Supplies Dealers - Wholesale or Retail - Gas, Steam or Hot Water Equipment - no manufacturing	8111	3.33%	98
Plumbing - N.O.C. - Shop and Outside - Gas, Steam, Hot Water or Other Pipe Fittings Installation, including house connections installation - (Automatic sprinkler installation to be separately rated.)	5183	2.74%	84
Policemen - see under Municipal Employees	7720	2.38%	75
Polishing Metal - use Buffing or Polishing of Metal - N.O.C.	3372	2.03%	66
Pool Halls - use Billiard Halls	9089	0.51%	28
Porcelain Lining - use Painting, Decorating or Paperhanging - N.O.C.	5474	4.07%	117
Portable Toilet Cos. (Mfg. & Distribution) - use Carpentry Shop (Mfg.) shop only Contractors Permanent Yards (Rental Distribution)	2883 8227 7380 9014	3.23% 1.95% 1.86% 1.92%	96 64 62 63

Chauffeurs (Delivery) Street or Sewer (Pumping out)			
Poultry Farms - use Farms, Poultry Raising, Egg Production	0034	2.60%	80
Poultry Supply Stores - Retail Stores - use Poultry Supply - Retail	8117	7.35%	
Power Companies	7539	2.28%	72
Power Line Construction	7538	17.50%	448
Precious Stone Cutting - use Jewelry Mfg.	3383	0.86%	37
Prefabricated Building Contractors (Metal/Wood) - use Contractors Schedule	2883	3.23%	96
Printing Operation: Editing, Designing, Proofreading & Photographic Composing - including Clerical Office Employees	8807	0.67%	
Salesmen, Collectors or Messengers - outside	8742	0.36%	24
All Other Employees - including miscellaneous employees Drivers, Chauffeurs and their Helpers shall be separately rated as 4299, "Printing."	4299	1.95%	64
Private Detective Agency - use Detective or Patrol Agency	7721	6.71%	
Process Servers - use Salesmen, Collectors, Messengers	8742	0.36%	24
Produce Dealers - Buying, packing or otherwise preparing general produce for shipment or transportation - using stores or buildings temporarily - not caring for produce during transit (growing or harvesting of crops to be separately rated) Classification 8018 "Store Risks - Wholesale - N.O.C." is assignable for any city wholesale plant of the dealer where such produce is stored and sold to retailers and institutional buyers.	8209	2.3%	73
Produce Dealers - Wholesale or Institution Selling - City - use Stores - Risks - Wholesale - N.O.C.	8018	1.44%	51
Property Management Cos. - use Clerical Office Employees - N.O.C.	8810	0.17%	19
Buildings - N.O.C.	9015	3.11%	93
Prosthetic Device - use Store Risks - Retail - N.O.C.	8017	0.49%	27

Provision Stores - Grocery and Meat - use Stores - Meat, Grocery and Provisions	8033	1.62%	56
Pruning Orchards - use Farms - Orchards	0104	6.1%	
Public Address Systems - Drivers of Sound Trucks - use Chauffeurs, Drivers and their Helpers - N.O.C.	7380	1.85%	52
Public Health Nursing Associations - all employees	8827	5.11%	
Publishers - use Newspaper Publishing Editors, Composers, Clerical Sales, Advertising, including Reporters All other employees	8807 8742 4304	0.67% 0.36% 1.95%	24 64
Printing Operations (not newspaper) Editors, Composers, Clerical Sales, Collectors, Messengers All other employees	8807 8742 4299	0.67% 0.36% 1.95%	24 64
Pump Dealers - use Machinery Dealers - N.O.C. Millwright Work (Installation) N.O.C.	8107 3724	4.19% 3.03%	120 91
Pump Installation - use Millwright Work - N.O.C.	3724	3.03%	91
Pushcart Operation - Vending - use Vending Concessionaires	9079	1.27%	47
Quarries, including all employees engaged in the construction, repair and maintenance of all buildings, structures or equipment and installation of machinery Crushing operations to be separately rated. Hauling of materials from the quarry to a stone crusher operated by the quarry shall be assigned to the quarry classification.	1624	8.67%	227
Rabbit Raising - use Farms - Poultry, Egg Hatcheries	0034	2.60%	80
Race Track - Auto - use Amusement Parks - Care, custody Amusement Parks - Operation & Maintenance	9016 9180	2.84% 6.95%	86 189
Race Track - Pari-Mutual Employees - use Theaters - all other employees Racing Stables	9154 8631	0.51% 18.55%	28
Radiator Repair - Auto - use Automobile or Automobile Truck Repair	8389	5.51%	



Radio & TV Dealers - Retail - use Stores - Risks - Retail - N.O.C.	8017	0.49%	27
Radio Dealers - Wholesale or Wholesale and Retail Combined - use Stores - Risks - Wholesale - N.O.C.	8018	1.44%	57
Radio, Television or Commercial Broadcasting Stations - all employees - including Clerical Office Employees. Salesmen (motion picture production to be separated) The actual remuneration of players, entertainers or musicians must be used unless the amount exceeds \$100 per week, in which event \$100 shall be used as representing the actual weekly remuneration of each player, entertainer, or musician	7610	0.24%	21
Radio or Television Receiving Set Installation, Service or Repair This classification includes shop or outside employees, incidental parts department employees, erection of antennas. Electrical wiring or lower erection to be separated.	9519	1.74%	59
Radio Tower Erection	5040	18.04%	461
Rag Dealers - including all laundry operations - use Salvage - Paper Stock or Rag Dealers	8264	5.14%	144
Railings - Metal Erection within Buildings - use Iron or Steel, Brass, Bronze Erection	6102	3.63%	106
Railings - Metal - Erection - use Iron or Steel Erection - N.O.C.	5057	21.33%	53
Rattan or Willow Ware Mfg. - use Furniture Assembly	2881	1.51%	53
Ready Mix Concrete - Preparation and Delivery - use Building Material Dealers	8232	3.85%	111
Real Estate Agencies - employees engaged outside of office – including Salesmen (care, custody and maintenance or construction work to be separated)	8741	0.47%	
Real Estate Developers (no construction) - use Real Estate Agencies	8741	1.47%	
Re-capping or Retreading - Rubber Tires	4420	2.33%	73
Reclaiming Pipe	8204	4.58%	130
Recreation Camps - use Camps -	9048	7.63%	

Recreational, Educational			
Rectifying Wine - use Stores - Wine or Spirit Merchants	8041	6.68%	
Reducing Salons - use Exercise or Health Institutes	9053	11.3%	48
Refractory Products - use Brick or Clay Mfg.	4041	9.07%	
Refreshment Stands - use			
Store Risks - Retail - N.O.C. (no hot food)	8017	0.49%	27
Restaurants (hot food)	9079	1.27%	47
Refrigeration - construction of wooden walk - in type boxes on customers' premises - use Carpentry - N.O.C.	5403	16.44%	421
Refrigeration - Display Cases - Installation of cases not containing refrigeration, compressor or motor - use Furniture of Fixtures - N.O.C.	5146	2.44%	76
Refrigeration - Display Cases - Installation of cases with self-contained compressor unit - use Refrigeration Equipment - N.O.C.	5183	2.74%	84
Refrigeration - Domestic Type - Installation - use Household Appliances	9519	1.74%	59
Refrigeration Equipment - N.O.C. - not household units – installation, service, and repair - shop and outside Delivery and connection of household refrigerators on purchaser's premises shall be rated as 9519 - "Household Appliances"	5183	2.74%	84
Reinforcing Steel Installation - placing for concrete construction (reinforcing steel installation in connection with the construction of canal, irrigation or drainage systems; cross-country water pipe lines; sewers; tunnels; caissons and dams shall be assigned to the classification describing the construction with which such reinforcing steel installation is connect)	5225	6.1%	
Religious Articles Stores - use Store - Risks - Retail - N.O.C.	8017	0.49%	27
Rendering or Fertilizer Works	4665	3.88%	112
Rental Cos. - (hospital equip, party goods, etc.) - use Stores - Retail - N.O.C.	8017	0.49%	27
Rental Yard - Contractor's Equipment - use Contractors Permanent Yards	8227	1.95%	64

Residential Care Facilities for Adults - all employees - N.P.D. with 8823 - “Residential Care Facilities for Children,” 8804 - “Alcoholic and Drug Recovery Homes,” or 8804 - “Social Rehabilitation Facilities for Adults” This classification shall be applicable to those firms providing community care facilities for residents who are ambulatory and where the facilities are non-medically oriented. When skilled nursing care is provided as an identifiable unit, such nursing care unit shall be assigned to code 8629	9070	5.23%	
Residential Care Facilities for Children - all employees - N.P.D. with 9070 - “Homes for Aged,” 9070 - “Community Care Facilities for Adults,” 9070 - “Residential Care Facilities for Adults,” 8804 - Alcoholic and Drug Recovery Homes,” or 8804 - “Social Rehabilitation Facilities for Adults” This classification is applicable to non-medical residential care facilities for children who are neglected, delinquent, or emotionally disturbed or for children or adults who are developmentally disabled.	8823	2.35%	26
Resorts - use			
Hotels	9050	5.67%	
Restaurant	9079	1.27%	47
Restaurants - N.P.D.	9079	1.27%	47
Restaurant Supplies Dealers - use Store Risks - Wholesale - N.O.C.	9079	1.27%	47
Rest Homes - all employees	8829	1.73%	58
Retail Stores - N.O.C. - use Stores - Risks - Retail	8017	0.49%	27
Rifle Ranges - use Shooting Clubs	9180	6.95%	189
Rifle Teams - Company Sponsored - use Athletic Teams or Parks	9191	10.54%	
Riggers - use Mobile Crane & Hoisting Service - N.O.C.	7219	4.92%	138
Road Construction - Grading - use Street or Road Construction	5507	5.53%	153
Road Construction - Paving - use Street or Road Construction - Paving	5506	5.47%	152

Road Oiling - use Street or Road Construction - Paving	5506	5.47%	152
Roadside Stands (Vegetable & Fruit Stores) - use Fruit or Vegetable Stores	8006	0.79%	35
Rock Excavation/Rock Quarries	1624	8.67%	227
Rock Yards (Dealers) - use Bldg. Material Dealers - Commercial	8232	3.85%	111
Roller Skating Rinks	9016	2.84%	86
Roofing - all kinds - including yard employees	5551	16.28%	417
Roofing Material Dealers - use Building Material Dealers - Commercial or Building Material Dealers - Second-hand	8232 8204	3.85% 4.58%	111 130
Roofing Material - use Building or Roofing Paper - felt Asphalt or Tar Distilling Tile or Earthenware Mfg. - N.O.C. (Roof Tile) Sawmills or Shingle Mills (Shingles)	8232 4740 4041 2710	3.85% 4.47% 9.07% 8.16%	111 127 214
Rooming Houses - use Hotels	9050	5.67%	
Rubber Tire Dealers - Wholesale or Retail or Combined Wholesale and Retail - including repairing, adjustment of tires to vehicles away from the premises of the insured, accessories and spare parts departments - N.P.D. with 8391 - "Automobile or Automobile Truck Drivers," 8389 - "Automobile or Automobile Truck Repair Shops or Garages," and 8392 "Automobile or Automobile Truck Storage Garages or Parking Stations or Lots" This classification includes cashiers who receive payments from customers. Recapping or retreading of tires to be separately rated.	8387	2.62%	81
Rubber Tire Recapping or Retreading Sales or service operations to be separately rated.	4420	3.23%	73
Rubbish Dump Operators - use Garbage, Ashes, or Refuse Dump Operator	9424	6.08%	
Rug Cleaning - Shop or outside - use Carpet, Rug or Upholstery Cleaning	2585	2.57%	79
Rug Dealers - Retail - use Stores - Floor	8017	0.49%	27

Covering Dealers - Retail			
Rug Dealers - Wholesale - use Stores - Floor Covering Dealers - Wholesale	8018	1.44%	51
Rug Installation - use House Furniture - N.O.C.	9521	2.27%	72
Rust Proofing - Acid Bath - use Electroplating	3372	2.03%	66
Rust Proofing - Galvanizing or Hot Bath - use Galvanizing or Tinning	3373	5.23%	146
Sail Making	2576	1.57%	54
Salesmen, Collectors or Messengers - Outside The use of this classification is subject to the provisions of the manual rules for standard exceptions - see general rules	8742	0.36%	24
Salvage Material Dealers: (1) Bottle Dealers - Second-hand (All handling of metal to be separately rated)	8264	5.14%	144
(2) Iron or Steel Scrap Dealers (Wrecking or salvaging to be separately rated)	8265	15.92%	408
(3) Junk Dealers - N.O.C. - N.P.D. (Wrecking or salvaging to be separately rated) This classification is applicable to those risks engaged in collecting and handling a miscellaneous line of second-hand materials such as bottles, rages, paper, rubber and in addition, ferrous or non-ferrous scrap metals.	8265	15.92%	408
(4) Metal Scrap Dealers - Collection, sorting and reduction of non-ferrous scrap metal (Handling of iron or steel scrap to be separately rated)	8500	7.14%	193
(5) Paper Stock or Rag Dealers, including all laundry operations (All handling of metal to be separately rated)	8264	5.14%	144
(6) Rubber Stock Dealers - Second-hand (All handling of metal to be separately rated)	8264	5.14%	144
Sand and Gravel Dealers - use Sand and Gravel Digging	4000	8.35%	219
Building Material Dealers - Commercial	8232	3.85%	111
Sand or Gravel Digging - No canal, sewer or cellar excavation or mining, including construction, repair or maintenance of all buildings, structures, or equipment;	4000	8.35%	219

<p>installation of machinery (Drivers, Chauffeurs and their helpers engaged exclusively in delivery of the finished product from storage bunkers shall be separately rated as 8232 “Building Material Dealers”)</p> <p>Where more than 25% of the material being excavated is passed through crushers, payroll for the crushing department shall be assigned to 1710 - “Stone Crushing” unless the crushed product will pass through an eight mesh or finer screen, in which case such payroll shall be assigned to 1741 - “Silica Grinding.”</p>			
<p>Sandblasting - Outside - use Painting Abrasive Blasting - Surcharge</p>	<p>5474 5972</p>	<p>4.07% 7.85%</p>	<p>117</p>
<p>Sandblasting - Shop - use Foundries - Iron - N.O.C.</p>	<p>3081</p>	<p>4.23%</p>	<p>121</p>
<p>Sanitariums - All employees</p>	<p>8829</p>	<p>1.73%</p>	<p>58</p>
<p>Sanitary Companies - Firms engaged in the cleaning of septic tanks, cesspools and chemical portable toilets - All employees, including drivers, chauffeurs and their helpers</p>	<p>9402</p>	<p>4.34%</p>	<p>124</p>
<p>Sanitary or Sanitation Districts Operation - All employees (Additions to, alterations or construction of sewer lines or sewage disposal plants to be separately rated) This classification applies to all work incidental to the maintenance and operation of sewer systems or sewage disposal plants.</p>	<p>7580</p>	<p>2.84%</p>	<p>86</p>
<p>Sash, Door Dealers - use Building Material Dealers (new) Commercial Building Material Dealers (used) Second-hand</p>	<p>8232 8204</p>	<p>3.85% 4.58%</p>	<p>111 130</p>
<p>Sash, Door or Assembled Millwork Mfg. (Commercial lumber yards, building material dealers or fuel and material dealers to be separately rated) Where a risk deals in any lumber or building material or in any fuel and materials in addition to products manufactured, all yard operations, including all drivers, chauffeurs</p>	<p>2883</p>	<p>3.23%</p>	<p>96</p>

and their helpers shall be assigned to the appropriate yard classification.			
Sash Erection - Metal - use Iron or Steel, Brass, Bronze, Aluminum	5102	3.63%	106
Sauna Baths - use Baths - N.O.C.	9053	1.3%	48
Savings & Loan Organizations - use Banks	8808	0.56%	
Scaffolds, Shoring, Concrete or Cement Distributing Towers, Hod Hoists or Construction Elevators - Installation or Removal The installation, repair or removal of scaffolds, shoring, concrete or cement distributing towers, hod hoists, or construction elevators, when performed by building contractors, shall be assigned to the construction classification with which this work is associated.	9529	11.37%	
Schools - see Colleges or Schools			
Scale, Installation, Service and Adjustment - Away from Shop - Platform type - Permanent or portable - use Millwright Work - N.O.C.	3724	3.03%	91
Scale, Installation, Service and Adjustment - Away from Shop - Counter type - use Furniture or Fixtures Installation N.O.C.	5146	2.44%	76
School Teachers - use Colleges or Schools - Professors, Teachers	8868	0.27%	20
Scientific Instrument Dealers - use Store Risks - Retail - N.O.C.	8017	0.49%	27
Scout (Boy & Girl) Council - Camp Operation - use Boy & Girl Scout Councils - Camp Operation	9015	3.11%	93
Scout (Boy & Girl) Council - Executive Secretaries - Office and Travel - use Boy & Girl Scout Councils - Executive Secretaries	8742	0.75%	24
Scout (Boy & Girl) Council - Clerical Office Employees other than at camp locations - use Boy & Girl Scout Councils - Clerical	8810	0.17%	19
Scrap Metal Dealers - Iron or Steel - use Salvage - Iron or Steel Scrap Dealers	8265	15.92%	408
Scrap Metal Dealers - Non-ferrous - use Salvage - Metal Scrap Dealers	8500	7.12%	193
Screens - Windows - Metal Mfg. - use Hardware Mfg. - N.O.C.	3146	3.28%	97

Searchlight Operation - Mounted on Trucks and Generated by Same - use Electrical Machinery	3724	3.03%	91
Second-hand Machinery and Equipment Dealers, including incidental reconditioning or repairing - use Salvage - Machinery and Equipment Dealers	8257	12.69%	
Secretarial Service - use Clerical Office Employees - N.O.C.	8810	0.17%	19
Seed Dealers - use Seed Merchants	8102	6.34%	
Seed Growers - Flower, Vegetables	0172	4.55%	
Septic Tank - Cleaning - use Street or Sewer Cleaning	9014	1.92%	63
Septic Tank - Installation - use Sewer Construction	6306	7.34%	199
Servant - Inside - Full-time - use Domestic - Inservant	0913	12	27
Servant - Outside - Full-time - use Domestic - Outservant	0912	12	27
Sewage Disposal Plants - see Sanitary or Sanitation District Operation	7580	2.84%	86
Sewer Cleaning - use Street or Sewer Cleaning	9402	4.34%	124
Sewer Construction - All Operations, including construction of laterals, tunneling of street crossings	6306	7.34%	199
Sewing Machines - Repair at Shop - use Machine Mfg. - N.O.C.	3574	2.83%	
Sewing Machines - Store - Retail - use Store Risks - Retail - N.O.C.	8017	0.49%	27
Shaft Sinking - use Caisson Work	6252	16.65%	426
Sharpening Service - use Machine Shops (Lawnmowers) N.O.C.	3632	6.14%	169
Tool Mfg. (Hand Tools)	3099	3.95%	
Sheet Metal Work - Erection, Installation or Repair - N.O.C. - Shop and Outside, including installation of furnaces or air-conditioning systems (Roofing and installation of pipe and pipe fittings to be separately rated)	5538	4.93%	138
Shirt Manufacturing - use Clothing Manufacturing	2501	0.46%	27



Shoe Repairing - use Boot or Shoe Mfg. - Repairing	2660	0.84%	36
Shoe Shine Stand - use Barber Shops or Beauty Parlors	9586	0.29%	22
Shoe Store - use Stores - Clothing - Retail	8008	0.6%	30
Shopping Centers - Maintenance - use Buildings - N.O.C.	9015	3.11%	93
Shooting Galleries The preparation or serving of hot foods shall be separately rated under Restaurant, 9079.	9180	6.95%	189
Showcase Mfg. - use Furniture or Cabinet Mfg.	2883	3.23%	96
Sidewalk Laying - use Concrete or Cement Work	5200	4.31%	
Sidewalk Light Prisms - Installation and Repair - use Concrete or Cement Work	5200	4.31%	
Sidewalk Tunnels - Installation - Not by a Building Contractor - use Scaffolds, Concrete or Cement Distributing Towers	9529	11.37%	
Siding Dealers - use Building Material Dealers (new) Commercial Building Material Dealers (used) Second-hand	8232 8204	3.85% 4.58%	111 139
Sightseeing - Aircraft Operation - use Aircraft Operation - Sales or Service	7424	5.85%	
Sign Erection or Repair - not outdoor advertising companies	9552	7.26%	197
Sign Mfg. (Other than wood)	3066	3.16%	94
Sign Painting or Lettering - Inside of Buildings - including shop operations - N.P.D. with 9549 - "Advertising Cos."	9553	5.61%	155
Slaughtering - use Butchering	2081	6.66%	182
Sling, Net, Rope, Ladder, etc. - Assembling for Rigging - use Contractors Permanent Yards	8227	1.95%	64
Slot Car Raceways or Parlors - use Store Risks - Retail - N.O.C.	8017	0.49%	27
Smoke Shop - use Store Risks - Retail - N.O.C.	8017	0.49%	27
Social Clubs - use Clubs - N.O.C.	8061	1.3%	48
Social Rehabilitation Facilities for Adults - all employees - N.P.D. with 9070 - "Homes	8804	2.35%	

for Aged,” 9070 - “Community Care Facilities for Adults,” 9070 - “Residential Care Facilities for Adults” or 8823 - “Residential Care Facilities for Children” This application is applicable to non-medical residential care facilities providing services in a group setting to persons who are capable of meeting their life support needs independently, but who temporarily need assistance, guidance and counseling.			
Sorority or Fraternity Houses - use Hotels	9052	1.52%	53
Sound Proofing - use Insulation Work	5479	3.2%	95
Sound System Installation, Service and Repair, within Buildings - including storage and yard employees	7605	5.67%	
Spirit Merchants and Processors - use Stores - See Wine or Spirit Merchants	8041	6.68%	
Sporting Goods Store - use Stores - Risks - Retail - N.O.C.	8017	0.49%	27
Spraying by Aircraft - use Aircraft Operation - Agriculture	7409	11.59%	
Spraying Orchards	0103	21.03%	
Sprinkler Systems - Fire - Installation - use Automatic Sprinkler Installation	5183	4.6%	130
Sprinkler Systems - Lawn - Installation - use Plumbing - N.O.C.	5183	2.74%	84
Stables - All employees	7207	5.35%	149
Stadiums - Operation - use Athletic Teams or Parks (care, custody and maintenance only)	9182	1.65%	56
Stationary Stores - use Store Risks - Retail - N.O.C.	8017	0.49%	27
Stationary Supply Dealers - use Store Risks - Wholesale - N.O.C.	8018	1.44%	51
Steam Baths - use Baths - N.O.C.	9053	1.3%	48
Steam Pipe or Boiler Insulation - Applying cork, asbestos, or other non-conducting materials, including shop	5184	2.74%	84
Steel - Fabrication or Erection - see Iron or Steel, Steel Making - Electric Furnace or Crucible Processes, including blooming mills or forging or rolling mills	3004	6.66%	182

(Blast furnace operations or coke manufacturing to be separately rated)			
Steel Merchants - use Iron or Steel Merchants	8106	4.69%	132
Steel Works - Shop - Structural - use Iron or Steel Works - Shops	3030	6.96%	189
Stock and Bond Brokers - use Clerical (Inside) Office Employees - N.O.C. Salesmen, Messengers, Collectors (Outside)	8810 8742	0.17% 0.36%	19 24
Stock Farms - use Farms and Stock Farms	0038	12.76%	
Stockyards - with or without Butchering	2081	6.66%	182
Stone Crushing, including construction, repair or maintenance of all buildings, structures or equipment; installation of machinery. Assureds engaged in preparing crushed, ground or screened products down to and including materials which will be retained on an 8 mesh screen shall be considered crushing risks and assigned to 1710 "Stone Crushing." Assureds engaged in preparing crushed, ground or screened products that pass an 8 mesh or finer screen shall be considered as engaged in fine grinding and assigned to 1741 "Silica Grinding."	1710	9.64%	96
Stone Cutting or Polishing - Quarrying to be separately rated Stone cut in quarries shall be rated as 1624 - "Quarries"	1803	3.4%	100
Stonework - Interior - not Masonry - use Tile, Stone, Mosaic	5348	2.82%	86
Stores Automobile Accessory Stores - Wholesale or Retail, including inside or outside salesmen (Recapping or retreading of tires to be separately rated)	8046	1%	40
Bicycle Sales, Repair or Rental Operations	8017	0.49%	27
Clothing, Wearing Apparel or Dry Goods Stores - Retail, including alteration department (Manufacturing operations to be separately rated)	8008	0.6%	30
Clothing, Wearing Apparel or Dry Goods Stores - Wholesale or combined Wholesale and Retail - No manufacture	8032	0.51%	28
	8017	0.49%	27

<p>Delicatessen Stores - Retail This classification is not applicable to delicatessens that prepare or serve hot food for consumption on the premises. All operations of such delicatessens shall be assigned to code 9079 - "Restaurants."</p>	8039	0.68%	32
<p>Department Stores - Retail, including Clerical Office Employees, Salesmen This classification includes installation of house furnishings and house hold appliances and shall apply to each location of a risk at which all the following conditions obtain: (1) The payroll subject to this classification is at least \$100,000 per annum (2) The merchandise handled must include:     (a) Wearing Apparel     (b) Textile Fabrics     (c) House Furnishings (other than furniture)     (d) One or more of the following:         Cosmetics           Jewelry         Drugs               Luggage         Furniture          Musical Instruments</p>	8017	0.49%	27
<p>    Groceries/Meats   Sporting Goods     Hardware          Toys</p>	8017	0.49%	27
<p>(3) The total annual sales of items (a), (b) and (c) above must not exceed 50% of the total annual sales.</p>	8018	1.44%	51
<p>Five and Ten Cent Stores - use Stores, Retail Floor Covering Dealers - Retail - Carpets, Rugs, Linoleum The application of laying of linoleum, carpet, rugs, asphalt or rubber tiling performed within buildings to be separately rated as 9521 - "House Furnishings - N.O.C. - Installation"</p>	8001	0.97%	39
<p>Floor Covering Dealers - Wholesale or Combined Wholesale and Retail - Carpet, Rugs or Linoleum The application or laying of linoleum, carpet, rugs, asphalt or rubber tile performed within buildings to be separately rated as 9521 - "House Furnishings - N.O.C. - Installation"</p>			
<p>Florists, including store and service away</p>			

from the premises (cultivating or gardening to be separately rated)			
Fruit or Vegetable Stores - Retail - No handling of fresh meats. Employees engaged in the curing and packaging of meat for any part of their time shall be separately rated.	8017	0.49%	27
Furniture Stores - Wholesale or Retail Installation, service or repair of electrical household appliances - Rate as Household Appliances	8015	3.63%	
The application or laying or installation of linoleum, carpet, rugs, asphalt or rubber tile or draperies performed within buildings to be separately rated as 9521 - "House Furnishings - N.O.C. - Installation."	0005	3.62%	106
Garden Supply Stores - N.O.C. This classification shall apply to concerns in which the following conditions obtain: (1) A nursery department is operated involving a yard with a lath or greenhouse or bedding plant area and (2) One or more departments are operated for selling such diversified articles as (but not limited to) potted plants, cut flowers, patio furniture, lawnmowers, insecticides, fertilizers, barbecue supplies, figurines, kitchenware or tools.	8017	0.49%	
	8017	0.49%	27
Grocery and Provision Stores - Retail (Employees engaged in the cutting and packaging of meat for any part of their time to be separately rated)	8013	0.32%	27
	8031	3.20%	
Hardware Stores - Retail This classification shall include incidental sales to builders, contractors or professional users.	8021	3.76%	23 95
Jewelry Stores - Wholesale and Retail			
Meat, Fish or Poultry Stores - Retail - N.P.D.	8117	7.35%	109
This classification shall include incidental sales to restaurants, institutional buyers or retail stores. When more than 25% of sales are to consumers other than family trade, rate as 8021.	8017	0.49%	
Meat, Fish or Poultry Dealers - Wholesale -	8018	1.44%	27

N.P.D. with 2081 - "Butcher" The receiving, wholesaling (no processing) of prepackaged meat should be rated separately as 8018 "Stores - Wholesale." Poultry Supply Stores - Retail Store Risks - Retail - N.O.C. The preparation or serving of hot foods shall be separately rated under Restaurants, 9079. Store Risks - Wholesale or combined Wholesale and Retail - N.O.C. Welding Supply Stores - Wholesale or Retail, including the charging of welding cylinders. Wine, Beer or Spirits - Retail Applies to firms operating under "off-sale" licenses, with more than 50% of gross sales in alcoholic beverages sold for off-premises consumption. Wine or Spirit Merchants - Wholesale, including blending, rectifying, distilling or bottling.	8018 8060 8041	1.44% 3.44% 6.68%	51 51
Storm Drain Construction - Monolithic or Reinforced Concrete - use Sewer Construction	6306	7.34%	199
Storm Drain Construction - Open Channel - Concrete - use Canal Construction	6361	8.13%	124
Street or Sewer Cleaning	9402	4.34%	
Street or Road Construction - Grading - All operations of bringing roadbed to grade, including clearing and grubbing right-of-way and temporary surfacing. (Bridge or culvert building where clearance is more than 10 feet at any point or the entire distance between terminal abutments exceeds 20 feet; tunneling, sewer construction, quarrying, stone crushing, sand and gravel digging to be separately rated)	5507	5.53%	153
Street or Road Construction - Paving or repaving, surfacing or resurfacing or scraping - all kinds, including airport runways, warming aprons, incidental field plants, fence or guard rail construction. (Clearing of right-of-way earth or rock excavation, filling or grading, tunneling, bridge or culvert building, quarrying, stone crushing, sand or gravel	5506	7.26%	152

digging to be separately rated)			
Stucco Work - use Plastering or Stucco Work	5480	3.2%	95
Stunt Flying - use Aircraft Operation - Public Exhibition, etc.	7419	12.87%	
Subdivision Developers - No Construction - use Real Estate Agencies	8741	0.47%	
Supermarkets - use Stores - Meat, Grocery, Provisions - N.O.C.	8033	1.62%	56
Surplus Stores - use Store Risks - Retail - N.O.C.	8017	0.49%	27
Surfing Shops - use Store Risks - Retail - N.O.C.	8017	0.49%	27
Sweeping of Parking Lots and Other Off-street Areas by Specialty Contractors - use Buildings - Operation by Contractors	9014	1.92%	63
Swimming Clubs - use Clubs - Baths - N.O.C.	9060	1.55%	54
Swimming Instructors - use Baths - N.O.C.	9053	1.3%	48
Swimming Pool Cleaning and Maintenance by Specialty Contractors - use Buildings - Operation by Contractor	9014	1.92%	63
Swimming Pool Contractors: Excavation - N.O.C.	6217	10.5%	273
Concrete Construction - N.O.C.	5213	5.49%	152
Plumbing - N.O.C.	5183	2.74%	84
Millwright Work - N.O.C.	3724	3.03%	91
Electrical Wiring	5190	2.93%	88
Concrete and Cement	5200	4.31%	
Masonry - N.O.C.	5022	6.06%	167
Tile, Stone, Mosaic Work	5348	2.82%	86
Buildings (Maintenance) - N.O.C.	9015	3.11%	93
Depends on work being performed by contractor.			
Swimming Pools - Commercial - All employees, including restaurant employees, Clerical Office Employees	9053	1.3%	48
Swimming Teams - Company sponsored - use Athletic Teams or Parks - Tennis, Swimming	9181	6.46%	
Tableware - Pottery	4049	5.23%	
Tailor Shops - use Dressmaking or Tailoring	2503	0.33%	23

Tamale Mfg. (No can) - use Bakeries and Cracker Mfg.	2003	1.35%	49
Tank Building - Metal	3620	8.64%	228
Tank - Cleaning out oil deposits and debris - By specialty contractor - use Street or Sewer Cleaning	9402	4.34%	124
Tank Erection (within Buildings) - use Boiler Installation - Repair or Setting	3726	17.23%	441
Tank Erection - Metal - Not Elevated	5040	18.04%	461
Tank Erection - Wood - use Carpentry - N.O.C.	5403	16.44%	421
Tank Installation - Butane or Shellane - in Homes - use Plumbing - N.O.C.	5183	2.74%	84
Tanks - Lining with Porcelain - use Painting - Oil or Gasoline Storage Tanks	5474	4.07%	117
Tanning	2623	8.7%	
Tar Paper Preparation - use Building or Roofing Paper	4263	6.36%	
Tar Works - use Asphalt Works	1463	4.76%	134
Tax (Income) Services - use Clerical Office Employees - N.O.C.	8810	0.17%	19
Taxi Service - Aircraft - use Aircraft Operation - Sales or Service	7424	5.85%	
Taxicab Operations - All Employees	7365	13.82%	
Teachers - School - use Colleges or Schools - Professors, Teachers	8868	0.21%	20
Telephone Answering Service - use Clerical Office Employees - N.O.C.	8810	0.17%	19
Telephone Books Distributors - use News Agents or Distributors	8745	2.05%	68
Telephone or Telegraph Companies: (1) Office or Exchange Employees, including Clerical Office Employees	8901	0.17%	19
(2) All other employees, including operation, maintenance, extension of lines, making of service connection	7600	3.66%	107
Telephone, Telegraph or Fire Alarm Line Construction	7601	4.63%	131
Television or Radio Receiving Set, Installation, Service or Repair This classification includes shop or outside employees, incidental parts department	9519	1.74%	69



employees, erection of antennas. Electrical wiring or tower erection to be separately rated.			
Television Stations - see Radio or Television Broadcasting			
Television Broadcasting - Salesmen - use Radio or Television - Salesmen	8742	0.36%	24
Television Broadcasting - Studio - use Radio or Television - All Others	7610	0.24%	21
Television Set - Installation - use Radio and TV Receiving Set - Installation	9519	1.74%	59
Television Tower Erection - Metal	5040	18.04%	461
Television Transmitter or Field Employees - use Radio or Television - Transmitter or Field Employees	7609	0.86%	37
Temporary Grandstands - Installation - not by a building contractor - use Scaffolds, Concrete, Cement Distributors	9529	11.37%	
Tennis Clubs - use Clubs	9060	1.55%	54
Tennis Teams - Company-sponsored - use Athletic Teams - Tennis, Bowling, Golf, etc.	9178	4.66%	310
Tent Erection - Removal or Repair - Away from Shop This classification does not cover erection, removal or repair of canvass awnings. Such operations shall be assigned to 5102 - "Iron, Steel, Brass, Bronze or Aluminum Erection."	9529	11.37%	
Termite Control Work - All Operations - including yard employees; salesmen, estimators This classification applies to operations involved in the control and extermination of termites and other wood-destroying pests or organisms by fumigation or spraying of poisonous insecticides. It also applies to structural repair operations conducted in connection therewith.	5650	1.57%	
Terrazzo Work - Interior - not Masonry - use Tile, Stone, Mosaic or Terrazzo	5348	2.82%	85
Test Pilot - Experimental Aircraft - use Aircraft Operation - Testing	7419	12.87%	
Test Pilot - Testing Aircraft Manufactured under an Approved Type Certificate - use	7426	1.6%	

Aircraft Operation - Testing Aircraft			
Theaters: (1) Players, Entertainers or Musicians The actual remuneration of directors, players, entertainers, or musicians must be included, subject, however, to a maximum of \$100 per week per person; provided that, subject to the above limitation, the payroll basis for vaudeville, burlesque, farce or continuous performance players shall be the amount paid by the theaters for each act.	9156	0.31%	23
(2) All other employees - including managers, stage hands, box office employees, ushers or motion picture operators. Drive-in-Theaters - operations performed by parking attendants to be separately rated as 8392 - "Automobile Parking Stations or Lots."	9154	0.51%	28
Ticket Agencies - use Clerical Office Employees - N.O.C.	8810	0.17%	19
Tie Making - Wood - use Wood-chopping or Tie Making	2702	13.24%	341
Tie Painting - use Clothing Mfg.	2501	0.46%	27
Tile, Stone, Mosaic or Terrazzo Work - Interior Construction Only - not Fireproof Tile Construction	5348	2.82%	86
Tire Recapping - Rubber - use Rubber Tire Recapping or Retreading	4420	2.33%	73
Title Cos. - use Clerical Office Employees - N.O.C. (Inside)	8810	0.17%	19
Salesmen, Collectors, Messengers	8742	0.36%	24
Toilets (Portable) Service - use Street or Sewer Cleaning	9402	4.34%	124
Towel or Toilet Supply Cos. - No Laundry Operations	8017	0.49%	27
Towing Service (Vehicle) use Automobile or Auto Truck - Service Station, or Automobile or Auto Truck - Repairs, or Automobile or Auto Truck - Storage, or Automobile or Auto Truck - Dismantling	8387 8389 8389 3821	2.62% 5.51% 2.14% 11.64%	81  301
Toy Store - use Store Risks - Retail - N.O.C.	8017	0.49%	27
Track Teams - Company-sponsored - use	9178	4.66%	310

Athletic Teams - Track			
Transit Mix - Concrete - Preparation and Delivery - use Building Material Dealers	8232	3.85%	111
Transmission Tower Erection - use Iron or Steel Erection	5040	18.04%	461
Trash Container Companies - use Garbage, Ash or Refuse Collecting	9403	6.29%	172
Travel Bureaus - use Clerical Office Employees - N.O.C.	8810	0.17%	19
Tree Christmas - Lot Retail - use Stores - Store Risks - Retail	8017	0.49%	27
Tree Crops - use Farms - Orchards	0016	6.93%	
Trees - Mature - Excavating, Transporting, Transplanting - use Truckmen - N.O.C.	7219	4.92%	138
Tree Pruning, Repairing or Trimming - N.O.C. - Hand or Mechanical Power - including yard employees This classification includes spraying or fumigating in connection with tree pruning, repairing or trimming.	0106	20.63%	516
Trenching, Custom - Canal, Drainage System, Irrigation System - use Canal Construction	6361	8.13%	
Trenching, Custom - Conduit - use Excavation - N.O.C.	6217	10.59%	273
Trenching, Custom - Sewer - use Sewer Construction	6306	7.34%	199
Trenching, Custom - Gas Mains, Water Mains - use Water Mains	6319	4.19%	120
Truckmen - N.O.C. - including terminal employees, garage men and repairmen. (Storage warehouse employees to be separately rated.)	7219	4.92%	138
Tuba, Vinegar Mfg. Distilling	2130	3.78%	110
Manufacturing - including tree climbing and bottling	1472	4.32%	123
Tunneling - All Work to Completion - including lining	6251	25.53%	638
Typewriter Shops - use Store Risks - Retail - N.O.C.	8017	0.49%	27
Office Machines - N.O.C. (Repair)	5191	0.82%	36

U-Drive - Auto Rental - use Automobile, Bus, Livery or Taxicab	7382	2.51%	78
Undertakers - Use Funeral Directors	9620	1.84%	61
Upholstering	9522	0.75%	34
Used Car Lot Salesmen - use Automobile or Automobile Truck Dealers - Salesmen	8748	0.57%	29
Used Car Lot - Lot Boys - No Repair	8392	2.14%	69
Vacuum Cleaner Dealers - Retail - use Stores, Store Risks, Retail - N.O.C.	8017	0.49%	27
Vacuum Cleaner Dealers - Wholesale or Combined Wholesale & Retail - use Stores - Store Risks - Wholesale - N.O.C.	8018	1.44%	51
Vacuum Truck - Drilling - see Mud Hauling - use Garbage, Ashes, or Refuse Collecting	9403	6.29%	172
Variety Stores - use Store Risks - Retail - N.O.C.	8017	0.49%	27
Vaudeville - Players - use Theaters - Players, Entertainers or Musicians	9156	0.31%	23
Vault Construction	5057	21.33%	53
Vegetable Dehydrating - use Fruit and Vegetable Evaporating or Dehydrating	2102	5.73%	
Vegetable Growing - use Farms - Truck Farms & Vineyards	0017	3.94%	
Vegetable Packers - use Fruit or Vegetable Evaporation or Dehydrating	2102	5.73%	
Fruit - Fresh Fruit Packing	2107	6.69%	
Farms - Truck Farms and Vineyards	0017	3.94%	
Vending Concessionaires - Dispensing Food, Drinks, Candy, etc. at Ball Parks, Race Tracks, Theaters and Exhibitions This classification is not applicable to street vendors. Such work shall be rated as 8017, "Stores."	9079	1.27%	47
Vending or Coin Operated Machines - Installation, Service or Repair - including storage, sho* and outside operations; salesmen *So in original.	5192	1.28%	47
Venetian Blind Assembly - from manufactured parts including finishing - N.P.D.	2881	1.51%	53

Venetian Blind Installation - use House Furnishings	9521	2.27%	72
Venetian Blind - Laundry - Spraying and Drying - use Painting - Shop only	9501	1.08%	42
Veterinarians - including artificial insemination - use Hospitals - Veterinary	8831	5.22%	146
Wallboard Application - Within Buildings - Installation or Application of Gypsum Wallboard - including finishing and preparation prior to painting - N.O.C. This classification is applicable to the installation or application of insulating materials within buildings, but only if installed by the same contractor performing the wall board application at the same job or location.	5445	5.52%	153
Warehouse - Cold Storage	8291	4.26%	122
Warehouses - Field Bonded Warehouses	8710	1.73%	58
Warehouse - Furniture - including packing or handling household goods away from assured's premises. Transporting of furniture under contract for mfg. or store; rate under 7219 - "Truckmen - N.O.C."	8293	4.53%	128
Warehouses - General Merchandise - N.O.C. (Drivers, Chauffeurs and their Helpers to be separately rated as 7219 - "Truckmen")	8292	2.93%	88
Watchmen or Guards - Block or Special Police	7721	6.71%	
Watch Repair	3386	0.86%	
Water Mains or Construction - including tunneling at street crossing (All other tunneling to be separately rated) This classification is not available for the construction of aqueducts, cross-country pipe lines or hydro-electric projects.	6319	4.19%	120
Water Pump Installation - use Millwright Work - N.O.C.	3724	3.03%	91
Water Softener Service - Shop and Installation - use Household Appliances	9519	1.74%	59
Water Towers & Elevated Tanks Erection	5040	19.04%	461
Water Truck Service Cos.	7272	5.83%	
Waterproofing Cloth - not Rubber	2413	2.17%	69

Waterproofing Cloth - Rubber	4410	3.06%	
Waterproofing - other than roofing or subaqueous work when performed as a separate operation not a part of or incidental to any other operation - including yard employees	5474	4.07%	117
Waterworks - Operation - All employees - including construction or extension of lines (construction of aqueducts, buildings, dams or reservoirs to be separately rated) Payroll of meter readers not exposed to operative hazards shall be assigned to 8743 - "Salesmen, Collectors or Messengers."	7520	2.73%	83
Water Sports, Parasailing, Wind Surfing, Bunaboard, Wake Boarding	9180	6.95%	189
Weather Strip Installation - use Furniture or Fixtures - N.O.C.	5146	2.44%	76
Weed Cleaning or Spraying - use Landscape Gardening	0042	3.27%	97
Welding or Cutting - N.O.C. - Shop or Outside - including incidental machining operations, connected therewith - N.P.D. (Welding or cutting in connection with mfg., demolition, wrecking, salvaging or construction operations shall be assigned to the classification describing the operations with which such welding or cutting is connected)	3365	9.37%	244
Well Digging	6252	16.65%	426
Weaving or Spinning of Natural Fibers	2222	1.47%	52
Wharf Building - Timber - including pile driving (Concrete work and reinforcing steel installation in connection with concrete work to be separately rated)	6003	12.51%	323
White Washing - use Painting, Decorating or Paper Hanging - N.O.C.	5474	4.07%	117
Window Cleaning - use Building - Operation by Contractors	9014	1.92%	63
Window Dressing - use Salesmen, Collectors, Messengers	8742	0.36%	24
Window Frames and Sash - Metal - Installation - use Iron or Steel, Brass, Bronze, Aluminum	5102	3.63%	106

Window Shade - Assembly - use Furniture Assembly	2881	1.51%	53
Wiping Rag Dealers - including all Laundry Operations - use Salvage - Paper Stock or Rag Dealers	8264	5.14%	144
Wire Rope and Cable Dealers - including Splicing - use Iron or Steel Merchants	8106	4.69%	132
Woodenware Manufacturing or Woodturned Products	2883	3.23%	96
Working Platforms - Installation - not by a Building Contractor - use Scaffolds, Concrete, or Cement Distributing Towers	9529	11.37%	
X-ray Laboratories - use Physicians or Dentists	8834	0.58%	
X-ray Laboratories - Metal - use Analytical or Testing Laboratory	4511	1.54%	54
X-ray Machines - Installation - use Millwright Work - N.O.C.	3724	3.03%	91
X-raying - by Contractor - at Industrial Plants or Construction Site - use Welding or Cutting - N.O.C.	3365	9.37%	244
Yacht Brokers - use Automobile Dealers			
Yacht Clubs - use Clubs - Country, Golf, Yachting	2222	1.47%	52
Y.M.C.A. or Y.W.C.A. Institutions - All Employees - including teachers, instructors, clerical office employees, salesmen	9061	3.58%	48
Zookeepers	9016	2.84%	86

<b>Domestic Workers - Residences Classification</b>			
Classifications	Code Number	Annual Rate	Minimum Premium
Inservants	913	12.00%	\$27.00
Outservants - including Private Chauffeurs	912	12.00%	\$27.00
Occasional	908	6.00%	\$21.00

<b>Longshore and Harbor Workers Classifications</b>
-----------------------------------------------------

Code No.	Rate Incl. Disease	Min. Prem.	Code No.	Rate Incl. Disease	Min. Prem.	Code No.	Rate Incl. Disease	Min. Prem.
763	Refer to Rate Page		6872F	Refer to rate page		7327F	Refer to rate page	
6801F			6874F			7350F		
6824F			7309F			8709F		
6826F			7313F			8726F		
6843F			7317F			9077F		
6845F			7323FN					

<b>(a) Rated Classifications</b>												
Code No.	Rate Incl. Disease	Min. Prem.	Code No.	Rate Incl. Disease	Min. Prem.	Code No.	Rate Incl. Disease	Min. Prem.	Code No.	Rate Incl. Disease	Min. Prem.	
6260	(a)	(a)	7425	(a)	(a)	8837	(a)	(a)	9529	(a)	(a)	

<b>Maritime and Federal Classifications</b>								
Code No.	Rate Incl. Disease	Min. Prem.	Code No.	Rate Incl. Disease	Min. Prem.	Code No.	Rate Incl. Disease	Min. Prem.
6702	Refer to rate page		7024	Refer to rate page		7039	Refer to rate page	
6703			7027			7046		
6704			7028			7047		
7016			7036			7048		
7019			7037			7049		
7020			7038			7050		

Modified, 1 CMC § 3806(f), (g).

History: Adopted 25 Com. Reg. 20860 (Aug. 22, 2003); Proposed 25 Com. Reg. 20261 (July 15, 2003).

Commission Comment: The Commission corrected numerous manifest spelling errors.

## **Appendix B Interpretation Section**

### **Classification**

#### **Bakery**

(HIRB Workers' Compensation Committee Members Minutes of 03-04-87):

Where physical separation exists, i.e. retail store employees are not exposed to bakery operations, and there is no interchange of labor, code 8017 would be permitted at the same location.



### **Boiler Installation or Repair Aboard Ship**

(NCCI Manual Committee Minutes, 10-25-32):

Ruling: Boiler installation or repair, placing or repairing of engines, pumps, etc., and masonry work in connection with the foundation of boilers when done by independent contractors whose shore operations are specifically classified, is not contemplated by the shipwright classification. Such operations should be classified as boiler installation or repair, millwright work and masonry, and the published rates increased for longshore and harbor workers (LHWCA) by percentage indicated on the rate pages.

### **Construction or Erection Permanent Yard - Garage Employees**

(NCCI Underwriting Committee Minutes, 11-02-89):

When a driver performs routine service work on the risk's vehicles - such as washing vehicles, checking of fluid levels, filling vehicles with fuel and similar activities (regardless of where performed), such activities shall be assigned to the classification otherwise applicable to drivers.

### **Freight Handling Operations:**

The Longshore & Harbor Worker's Compensation Act (LHWCA) was extended in 1972 to contemplate operations conducted in or on various shore side areas. Its scope and application has been subject to interpretation by the courts and by administrative bodies.

Bodies of questions concerning the application of the LHWCA the following is intended to serve as a guide in assigning the freight handling classifications. This is provided only as a guideline and is not intended to be an interpretation of the application of the LHWCA. The classification applicable to freight handling operations subject to the LHWCA, code 7350F, applies to the handling of cargo, incidental to the loading or unloading of vessels, on piers or adjoining areas or in terminals. Operations contemplated by this classification include stuffing and stripping container, other processing of waterborne cargo and loading and unloading of trucks, and railroad cars on piers of in adjoining areas or in terminals. This classification applies to separate employees who are engaged in moving cargo from any point which is removed from, and not connected with, the hazards of the sling in loading and unloading vessels. The storage, maintenance or repair of nets, slings, forklift trucks or other equipment by insured engaged in freight handling or stevedoring operations shall be assigned to the governing classification, even though such operations are conducted at a separate location.

The classification applicable to freight handling operations subject to coverage only under a state compensation act, code 7360, applies to operations conducted at railroad yards, airports or warehouses not located on piers or in terminals or areas adjoining piers.

If code 7350F is not applicable in a particular jurisdiction, then these guidelines would apply to the application of the LHWCA exposure exists.

### **Gasoline or Oil Supply Stations - Maintenance by Lessors:**

This reviews the classification assignment of employees of oil and gasoline distributing companies engaged in maintaining gasoline or oil supply stations owned by such companies but leased to others for operation. The work of these employees involves such operations as the minor adjustment, repair and cleaning of air compressors, gasoline pumps and other mechanical equipment; inspection of premises; maintenance of lavatories; painting the interior and exterior of the buildings; and in general keeping the premises in an attractive condition. Their work does not involve any new construction or alteration work on buildings; nor to any appreciable degree, the installation of gasoline pumps and tanks since such work is let to contractors specializing in it.

Consideration has been given to these maintenance activities, and it is the ruling that the operations in question are essentially the same as those conducted in company owned and operated stations and therefore, are properly assignable, by analogy, to code 8350 gasoline station - retail - NOC & drivers.

### **Hotel or Motel Operations:**

The two classifications applicable to hotel operations, codes 9079 restaurant NOC and 9050 hotels - all employees & drivers include only those workers directly employed by the hotel or motel and do not include employees of concessionaires or independent contractors operating on the premises. Any employees working in both the hotel and restaurant operations, such as bellhops engaged in room service or clerical employees, shall be subject to the division of a single employee's payroll rule.

The scope of code 9079 contemplates employees engaged in food service or beverage operations only, such as, but not limited to, waiters, waitresses and their assistants, cooks, kitchen help, bartenders, cashiers, restaurant manager, etc., and includes musicians and entertainers. All other employees of the hotel or motel, such as desk clerks, maids, housemen, inside and outside maintenance, store workers, barbers, laundry workers, etc., are to be assigned to code 9050.

### **Interior Decorators - House Furnishing Installation**

(HIRB Circular 02-05-85):

Most interior decorators will be employed by a firm that installs house furnishings or is engaged in upholstering work. Therefore, this is to verify that the interior decorators of such firms are to be included in the governing classification - code 5474.

On the other hand, if an interior decorator is not employed by such firm, but only offers their expertise, we would use the salespersons classification, code 8742. If the decorator does not sell or install house furnishings - or work for a firm that does - code 5474 would not be appropriate. Rather, it would seem their exposure is akin to a salesperson that travels from place to place, shows samples or brochures and writes the orders for selected items.

### **Limousine Co.:**

“Scheduled” service applies to operations which provide services on a prearranged basis. Non-scheduled service applies to operations which operate on an “on-call” basis.

Further, narrators who escort tours, but do not have driving responsibilities are properly classified into code 8742.

### **Lithographing – Automatic\* Lithographing Platemaking:**

This process involves the use of a completely enclosed automated plate processor which is similar in nature to a typical photocopy machine commonly found in offices. This plate processor utilizes aqueous, non-toxic solutions and thin gauge metal or similar material. It automatically develops, desensitizes, gums and dries in one operation. The operator does not come into contact with the solutions but merely feeds a plate into the processor. Once the plate processing is completed, the finished thin gauge plate exits the processor thoroughly dry.

It is the ruling the employees engaged in the above described operations, when performed in a physically separated department and with not interchange of labor beyond other clerical functions, shall be classified as code 8810 - “artists, designers, clerical office employees.” Business concerns specializing in the operations described above as a service for others shall also be classified as code 8810.

\*So in original.

### **Mobile Crane and Hoisting Service:**

© 2009 by The Commonwealth Law Revision Commission

This pertains to risks who enter into contracts to perform hoisting or lifting operations exclusively. Such operations include, but are not limited to, the following:

- 3.\* The hoisting of machinery and equipment into existing buildings.
4. The hoisting of materials on construction and erection projects, and
5. The use of mobile cranes to load or unload trucks or freight cars.

\*Numbering error in original.

The payroll developed by insureds performing the above described operations exclusively shall be assumed to code 7219, "mobile crane and hoisting service contractors."

An employer who performs both hoisting and construction operations on a particular project shall not be assigned to code 7219, "mobile crane and hoisting service contractors," but shall have his entire payroll in connection with such project, including the payroll developed in the operation of the mobile crane, assigned to the applicable construction classification.

#### **Rental / Rent-all Stores**

(HIRB Workers' Compensation Minutes of 03-02-88):

Stores engaged principally in the rental of miscellaneous items such as sanding machines, power tools, carpenter's equipment, plumber's tools, electric fans, vacuum cleaners, floor polishers, baby equipment and beds, party and banquet equipment, wheel chairs and garden or yard tools are properly classified into code 8017. Stores which specialize in a particular type of rental (e.g. tuxedo rental) are properly assigned to the respective store classification in the manual.

Further, the erection of tents in conjunction with the rental of banquet equipment is considered to be an incidental operation of the business, but the repair of rented equipment and tools by "rent-all" firms should be separately rated.

#### **Salespersons - Delivery**

(NCCI Underwriting Committee Minutes, 03-23-35):

The question of considering as salespersons instead of as chauffeurs those salesperson who deliver for accommodation or courtesy purposes a very limited quantity of the products which they sell was presented to the Committee which felt that such salespersons, regardless of whether they drive, "sedan deliveries," "panel trucks," or the like or pleasure body cars are not equitably treated under code 7380. To clarify the definition of the standard exception, "salesperson," (§ 20-40.3-405(b)(4)) the following interpretation was approved.

Interpretation:

That as respects § 20-40.3-405(b)(4) of this subchapter any salesperson whose duties include occasional courtesy delivery of a nominal quantity of the merchandise sold shall be classified as code 8742 salespersons.

#### **Schools or Colleges - Maintenance or Repair Employees**

(NCCI Bulletin 03-03-29):

Under the colleges or schools classification code 9101 is intended to include skilled workers steadily employed as plumbers, steam fitters, carpenters, etc., as well as those engaged in ordinary maintenance and repair work. If, however, such employees are engaged in extensive alteration work or new construction work they should be classified under the appropriate construction classification. Attention is called to the fact that this procedure is covered by § 20-40.3-405(c) and (d) of this subchapter.

© 2009 by The Commonwealth Law Revision Commission

### **Stevedoring - Incidental**

(NCCI Underwriting Committee Minutes, 06-29-37):

Many lumber yards, fuel and material dealers, hay, grain and feed dealers, fertilizer manufacturing plants, etc., are located on navigable waters. Frequently such risks load their products on ships or unload raw materials or finished products consigned to them. In many cases this work is done at irregular periods by employees normally engaged in plant operations.

#### Interpretation:

Payroll expended for such loading or unloading on navigable waters, should be assigned to the appropriate stevedoring codes, 7309 or 7317.

### **Basic Manual Part 900 - Cancellation**

There are two ways in which policies may be cancelled, namely pro-rata or short rate.

The pro-rata method is used when the policy is cancelled by the carrier.  
The short rate method is used when the policy is cancelled by the insured.

However, if the insured when requesting cancellation of the policy is retiring from the business covered by the policy or if the work has been completed, the policy may be cancelled on a pro-rata basis.

#### Pro Rata Cancellations:

Adjustment of premium shall be made by applying authorized rates to the audited payrolls. The pro-rata portion of the expense constant shall be added but not less than \$50. The total premium for the cancelled policy shall not be less than the pro rata portion of the minimum premium. (Refer to § 20-40.3-620.)

#### Short-term Policies:

If short term policies are cancelled before their normal expiration date, the adjustment of premium shall be made on a pro rata basis.

#### Short Rate Cancellations:

Adjustment of premium shall be made by applying the appropriate short rate percentage corresponding to the time the policy was in force, to the premium on a full annual basis, determined by applying authorized rates to the audited payroll, extended pro rata to a full annual basis. In addition, the short rate portion of the expense constant, subject to a minimum of \$50, shall be included. However, if the final premium so computed is less than the specified minimum premium, the minimum premium shall be charged.

#### Short-term Policies:

Short-term policies canceled before their normal expiration date: Short rate the annual expense constant, and balance to the full annual premium.

Modified, 1 CMC § 3806(c), (d), (f), (g).

History: Adopted 25 Com. Reg. 20860 (Aug. 22, 2003); Proposed 25 Com. Reg. 20261 (July 15, 2003).

Commission Comment: In the "Freight Handling Operations" section, the Commission changed "form" to "from" and corrected the spelling of "point."

## **Appendix C Cancellation Tables**

Click to view image

History: Adopted 25 Com. Reg. 20860 (Aug. 22, 2003); Proposed 25 Com. Reg. 20261 (July 15, 2003).

## **Appendix D**

### **Manual Supplement - Treatment of Disease Coverage**

#### I. Rates

Manual rates include premium for the disease exposures covered by the standard policy. Refer to basic manual § 20-40.3-201 and § 20-40.3-205 for an explanation of these coverages.

#### II. Supplemental

A supplemental disease loading may be added to a manual rate applicable to an individual risk. The supplemental disease loading proposed shall be based on the carrier's judgment after an evaluation of the operations and shall be subject to the approval of the Office of the Insurance Commissioner.

#### III. Specific Disease Loading

##### A. Explanation

The manual rates for classification code numbers followed by the symbols "d" or "D" on the rate pages include specific disease loadings. These loadings reflect specific disease hazards involved in the operation assigned to such classifications.

##### B. Removal from Manual Rate

If approved by the Office of the Insurance Commissioner, the specific disease loading may be removed from a manual rate when the substance for which the disease loading was established is not present in the operations of the insured.

##### Exception

For silicosis, the specific disease loading may be removed when not more than 5% free silica is present.

##### C. Partial Application

Partial application of a specific disease loading is permissible only as provided below:

1. For code 1852 - "Asbestos Goods Mfg." the specific disease loading shall be reduced 50% for risks which manufacture only molded asbestos goods and' which do not conduct asbestos textile operations, such as picking, carding, spinning or weaving.
2. For codes 1605 - "Rock Excavation" and 5508 - "Street or Road Construction," the specific disease loading applies only to the payroll of employees in rock drilling.
3. For codes 6251 - "Tunneling" and 6252 "Shaft Sinking," the specific disease loading applies only to the payroll of employees engaged in rock drilling and to any others who are exposed to silica dust.
4. For code 1803 - "Stone Cutting or Polishing," the specific disease loading shall be reduced 50% when materials containing more than 5% ee silica are restricted to sludge used for cutting or polishing.

#### IV. Supplementary Disease Rates

##### A. Explanation

Supplementary disease rates shown on the rate pages reflect hazards involved in foundry, abrasive or sandblasting operations.

**B. Foundry Hazards**

Supplementary disease rates for codes 0065 - “Incidental Foundries - steel,” 006 - “Incidental Foundries – nonferrous metals” and 0067 - “Incidental Foundries - iron” shall be applied to the payroll of employees exposed to the foundry hazard, except employees assigned to codes 3081, 3082, 3085, 3093 and 3175.

**C. Abrasive or Sandblasting Hazards**

The supplementary disease rate code 0059 - “Abrasive or Sandblasting” shall be assigned to the payroll of employees exposed to such hazards.

Modified, 1 CMC § 3806(f).

History: Adopted 25 Com. Reg. 20860 (Aug. 22, 2003); Proposed 25 Com. Reg. 20261 (July 15, 2003).