



**CIRCULAR LETTER 3189—February 7, 2019**

TO: Members of the Bureau

FROM: Jaclyn de Medicci

RE: Proceedings of the WCRB Governing Board  
NCCI Item R-1414 LRARO Endorsement Changes  
NCCI Item B-1437 Class Code Changes

Pursuant to ch. 626, Wis. Stat., the Office of the Commissioner of Insurance has approved the following changes adopted by the Governing Board.

The following changes were adopted effective **January 17, 2019**.

Per NCCI proposal R-1414, the Wisconsin Large Risk Alternative Rating Option (LRARO) endorsements were changed to replace the term “insurance charge” with “net aggregate loss factor.”

The following changes were adopted effective **October 1, 2019**.

Per NCCI proposal B-1437 the following class code phraseology changes were made:

**CODE 2286 REASSIGN TO CODE 2220**

<b>2286</b>	<b>2220</b>
<b>CLASSIFICATION TO ELIMINATE</b>	<b>REASSIGNED CODE PHRASEOLOGY</b>
<del><b>WOOL SPINNING AND WEAVING</b></del>	<b>YARN OR THREAD MFG-COTTON</b>
<del><b>YARN MFG WOOL</b></del> Codes 2286 and 2220 Yarn or thread MFG cotton shall not be assigned to the same risk unless the operations described by these classifications are conducted as separate and distinct businesses.	<del><b>WOOL SPINNING AND WEAVING</b></del>
	<del><b>YARN MFG-WOOL</b></del>
	<b>(NO OTHER CHANGES TO THE CURRENT PHRASEOLOGIES TO 2220 ARE BEING PROPOSED)</b>

**CODE 2670 REASSIGN TO CODE 2688**

<b>2670</b>	<b>2688</b>
<b>CLASSIFICATION TO ELIMINATE</b>	<b>REASSIGNED CODE PHRASEOLOGY</b>

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<p><del><b>GLOVE MFG-LEATHER OR TEXTILE</b></del> - Tanning of leather or MFG of textile fabric to be separately rated.</p>	<p><b>LEATHER GOODS MFG NOC</b></p>
<p><del><b>ATHLETIC GLOVE MFG</b></del> - Including baseball, boxing and hockey</p>	<p><b>ARCH SUPPORTERS MFG - LEATHER AND METAL</b></p>
<p><b>GLOVE LINING MFG</b></p>	<p><u><b>ATHLETIC GLOVE MFG</b></u> - Including baseball, boxing and hockey</p>
	<p><b>FOOTBALL, SOCCER, VOLLEYBALL OR BASKETBALL MFG (BLADDER MFG TO BE SEPARATELY RATED)</b></p>
	<p><u><b>GLOVE LINING MFG</b></u></p>
	<p><u><b>GLOVE MFG-LEATHER OR TEXTILE</b></u> - Tanning of leather or MFG of textile fabric to be separately rated.</p>
	<p><b>LEATHER BELTING MFG</b></p>
	<p><b>LEATHER SKIVING</b></p>
	<p><b>POCKETBOOK MFG</b> - From leather, vinyl or imitation leather</p>
	<p><b>WELTING MFG-ALL TYPES</b></p>

**CODE 4360 REASSIGN TO CODE 7610**

**4360**

**7610**

<b>CLASSIFICATION TO ELIMINATE</b>	<b>REASSIGNED CODE PHRASEOLOGY</b>
<p><del><b>MOTION PICTURE DEVELOPMENT OF NEGATIVES, PRINTING, AND ALL SUBSEQUENT OPERATIONS</b></del>                      Digital media processing and editing, as well as marketing through film exchanges, are included under Code 4360, whether performed by a contractor or the production company.</p>	<p><b>RADIO OR TELEVISION BROADCASTING STATION-ALL EMPLOYEES &amp; CLERICAL, DRIVERS</b> - Includes players, entertainers, or musicians.</p>
<p><del><b>DUPLICATION AND REPLICATION SERVICE OF PRERECORDED AUDIO, VIDEO OR DATA</b></del></p>	<p><b>MOTION PICTURE PRODUCTION-IN STUDIOS OR OUTSIDE-ALL OPERATIONS UP TO THE DEVELOPMENT OF NEGATIVES &amp; CLERICAL, DRIVERS</b> – Digital media processing and editing, as well as marketing through film exchanges, are included in Code 7610, whether performed by a contractor or the production company.</p>
	<p><u><b>DUPLICATION AND REPLICATION SERVICE OF PRERECORDED AUDIO, VIDEO OR DATA</b></u></p>
	<p><b>PHONOGRAPH RECORDS - RECORDING ON MASTER&amp; DISKS &amp; TAPES</b></p>
	<p><b>SEWER T.V. INSPECTION</b></p>

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The following code will be eliminated subject to a transition program beginning with the 10-1-19 rate revision.

**CODE 5508 REASSIGN TO CODE 5507**

**5508**

**5507**

CLASSIFICATION TO ELIMINATE	REASSIGNED CODE PHRASEOLOGY
<p><del><b>STREET OR ROAD CONSTRUCTION ROCK EXCAVATION &amp; DRIVERS</b>—Includes incidental quarrying or stone crushing. No tunneling.</del></p>	<p><b>STREET OR ROAD CONSTRUCTION SUBSURFACE WORK &amp; DRIVERS</b> - Applies to clearing of right-of-way, earth excavation, filling or grading. Separately rate: <del>rock excavation, tunneling, and bridge or culvert building where clearance is more than 10 feet at any point or the entire distance between terminal abutments exceeds 20 feet; quarrying and stone crushing.</del></p> <p><b>STREET OR ROAD CONSTRUCTION ROCK EXCAVATION &amp; DRIVERS</b> - Includes incidental quarrying or stone crushing. No tunneling.</p> <p><b>(NO OTHER CHANGES TO THE CURRENT PHRASEOLOGIES TO 5507 ARE BEING PROPOSED)</b></p>

**CLASS CODE PHRASEOLOGY CHANGES**

CODE	CURRENT PHRASEOLOGY	PROPOSED PHRASEOLOGY
3826	<b>AIRCRAFT ENGINE MFG</b>	<p><b>AIRCRAFT ENGINE MFG</b>  <u>Aircraft engine repair work, including rebuilding, when performed by a manufacturer, fixed-base operator, or contractor at an airport or off-site facility, away from airport ramp or flight line areas, is assigned to Code 3826. Refer to Code 7403 for ground support services performed at airports.</u></p>
3830	<p><b>AIRPLANE MFG</b></p> <p><b>UNMANNED AIRCRAFT SYSTEM OR DRONE AIRCRAFT MFG., SERVICE, OR REPAIR— AIRCRAFT WEIGHING 55 POUNDS OR MORE</b> - Applies to the manufacture, service, or repair of drone aircraft weighing 55 pounds or more. Includes do-it-yourself, recreational, and commercial models, and military drone aircraft. The manufacture, service, or repair of drone aircraft weighing less than 55 pounds must be separately rated to Code 3685.</p>	<p><b>AIRPLANE MFG</b>  <u>Includes airplane modification, repair, or maintenance work performed by a manufacturer, fixed-base operator, or contractor. These operations may be performed at an airport or off-site facility, away from airport ramp or flight line areas. Refer to Code 7403 for ground support services performed at airports.</u></p> <p><b>UNMANNED AIRCRAFT SYSTEM OR DRONE AIRCRAFT MFG., SERVICE, OR REPAIR—AIRCRAFT WEIGHING 55 POUNDS OR MORE</b> - Applies to the manufacture, service, or repair of drone aircraft weighing 55 pounds or more. Includes do-it-yourself, recreational, and commercial models, and military drone aircraft. The manufacture, service, or repair of drone aircraft weighing less than 55 pounds must be separately rated to Code 3685.</p>

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4686	<p><b>OIL MFG VEGETABLE-SOLVENT EXTRACTION PROCESS</b></p>	<p><b>OIL MFG VEGETABLE-SOLVENT EXTRACTION PROCESS</b></p> <p><u>Mfg. of cotton seed oil is separately rated to Code 4683.</u></p>
5037	<p><b>PAINTING METAL STRUCTURES-OVER TWO STORIES IN HEIGHT &amp; DRIVERS</b> - Includes shop operations. The painting of metal storage tanks, fire escapes, staircases, balconies, shutters, window frames, or sash to be separately rated as Code 5474-Painting or paperhanging NOC.</p> <p><b>GAS HOLDER - PAINTING</b></p> <p><b>PAINTING METAL BRIDGES &amp; SHOP OPERATIONS, DRIVERS</b></p> <p><b>SMOKESTACK PAINTING</b></p>	<p><b>PAINTING METAL STRUCTURES-OVER TWO STORIES IN HEIGHT &amp; DRIVERS</b> - Includes shop operations. The painting of <u>aircraft of all sizes and types</u>, metal storage tanks, fire escapes, staircases, balconies, shutters, window frames, or <u>sashes is to be</u> separately rated as <u>to</u> Code 5474-Painting or paperhanging NOC.</p> <p><b>GAS HOLDER - PAINTING</b></p> <p><b>PAINTING METAL BRIDGES &amp; SHOP OPERATIONS, DRIVERS</b></p> <p><b>SMOKESTACK PAINTING</b></p>
5474	<p><b>PAINTING OR PAPERHANGING NOC &amp; SHOP OPERATIONS, DRIVERS</b> - Includes the painting of metal storage tanks, fire escapes, staircases, balconies, shutters, window frames, or sash. Painting ship hulls, metal structures over two stories in height, or bridges to be separately rated.</p> <p><b>(NOT ALL PHRASEOLOGY DESCRIPTIONS INCLUDED)</b></p>	<p><b>PAINTING OR PAPERHANGING NOC &amp; SHOP OPERATIONS, DRIVERS</b> - Includes the painting of metal storage tanks, fire escapes, staircases, balconies, shutters, window frames, or sash. Painting ship hulls, metal structures over two stories in height, or bridges to be separately rated.</p> <p><b><u>PAINTING AIRCRAFT &amp; SHOP OPERATIONS, DRIVERS</u></b> Includes the painting of all sizes and <u>types of fixed- and rotary-wing aircraft by contractor or fixed-base operator.</u></p> <p><b><u>(NO OTHER CHANGES TO THE CURRENT PHRASEOLOGIES TO 5474 ARE BEING PROPOSED)</u></b></p>
7403	<p><b>AVIATION - ALL OTHER EMPLOYEES &amp; DRIVERS</b></p> <p><b>(NOT ALL PHRASEOLOGY DESCRIPTIONS INCLUDED)</b></p>	<p><b>AVIATION - ALL OTHER EMPLOYEES &amp; DRIVERS</b></p> <p><b><u>AVIATION – RAMP OPERATIONS &amp; DRIVERS –</u></b>  <u>Applies to operations located at airports. Includes all types of fixed- and rotary-wing aircraft. Ramp operations are defined as work performed on the aircraft at the ramp or on the flight line. Operations include, but are not limited to, normal aircraft turnaround operations, luggage service operations, interior and exterior cleaning of aircraft, fluid checking and filling, tire changing, deicing, lightbulb replacement, stocking of supplies (including food) in the aircraft, and ramp fueling and de-fueling of the aircraft. Independent service contractors and fixed-based</u></p>

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		<p><u>operators performing these services are assigned to Code 7403.</u></p> <p><u>Painting of aircraft is separately rated to Code 5474. Members of flying crews are separately rated to the appropriate aviation classification.</u></p> <p><b><u>(NO OTHER CHANGES TO THE CURRENT PHRASEOLOGIES TO 7403 ARE BEING PROPOSED)</u></b></p>
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