



**CIRCULAR LETTER 3204—January 10, 2020**

TO: Members of the Bureau

FROM: Jaclyn de Medicci

RE: Proceedings of the WCRB Governing Board  
NCCI Proposal Item B-1439 Revisions to Basic Manual Classifications  
and Appendix E-Classifications by Hazard Group

Pursuant to ch. 626, Wis. Stat., the Office of the Commissioner of Insurance has approved the following changes adopted by the Governing Board. The changes are effective 10-1-20, applicable to new and renewal business only.

NCCI Item B-1439 proposed class code changes that reassign class codes with low credibility. This filing also establishes classification treatment for construction job site salespersons and estimators.

**NCCI ITEM B-1439  
LOW CREDIBILITY CLASSIFICATIONS**

CODE	CURRENT PHRASEOLOGY	CODE	PROPOSED REASSIGNMENT
2683 (\$1.99)	<b>LUGGAGE MFG</b> – Applies to the MFG of traveling bags and hand luggage. Trunk MFG to be separately rated as Code 2883.  <b>SUITCASE MFG</b>	2501 (\$3.21)	<b>CLOTH, CANVAS AND RELATED PRODUCTS MFG NOC</b>  (Analogies not included)
3240 (\$1.87)	<b>CABLE OR WIRE ROPE MFG- IRON OR STEEL</b> - No wire drawing. Mfg of insulated electrical cable to be separately rated as Code 4470-Cable Mfg.	3257 (\$4.49)	<b>WIRE GOODS MFG NOC</b> - Wire drawing to be separately rated as Code 1924 or 3241.  (Analogies not included)

CONSTRUCTION SALEPERSONS & ESTIMATORS

RULE IV – CLASSIFICATIONS (Rule IV.B.2.b)

b. **Salespersons and Collectors - Outside - Code 8742**

- (1) This classification is assigned to employees who perform these duties away from the employer's premises.
- (2) This classification is not assigned to employees who:
  - (a) Deliver merchandise
  - (b) Use vehicles to deliver or pick up goods, even if they collect or sell. These employees must be assigned to the classification applicable to the business of for drivers.
  - (c) Use public transportation or walk to deliver goods even if they collect or sell. These employees must be assigned to the governing classification applicable to the business.
  - (d) Travel between locations of the employer as district or regional managers to perform various duties not involving outside sales or collection. *Refer to Rule IV E. Payroll Assignment – Multiple Classifications – Interchange of Labor*
  - (e) Perform job site measurements or inspections to prepare bids for a job for a construction contractor.

**Note:** Code 8742 does not apply when the basic classification wording includes outside salespersons and/or collectors.

RULE IV – CLASSIFICATIONS (Rule IV.D.8.c)

**8. Construction or Erection Operations**

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

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

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

a. **Contracting Classifications – Insured Subcontractors**

- 1) A subcontractor who performs a single type of work on a construction project or job shall be classified on the basis of the classification describing the particular type of work involved.

Example of 8.a.1) above

The subcontractor who performs only excavation work in connection with the construction of a sewer would be classified under Excavation & Drivers, Code 6217, rather than under Sewer Construction – All Operations & Drivers, Code 6306.

- 2) All operations in connection with concrete construction, including making and erecting forms, placing reinforcing steel and stripping forms, when done by subcontractors, shall be assigned to the appropriate concrete construction classification.

**b. Contracting Classifications – Uninsured Subcontractors**

Uninsured subcontractors covered under the principal contractor's policy are classified on the basis of the classifications that would apply if the work were performed by the principal's own employees. Refer to Rule IX D.

**c. Construction – Job Site Salespersons and Estimators**

Construction job site salespersons and estimators are separately rated to Code 8720, a nonconstruction code. A division of payroll is not permitted between Code 8720 and a construction classification at any single job site. If the construction job site salesperson or estimator also performs construction duties at the same job site or supervises construction workers at the same job site, the employee's payroll at that job site must be assigned to the appropriate construction classification

CODE 8720

- **INSPECTION OF RISKS FOR INSURANCE OR VALUATION PURPOSES NOC** - Code 8720, a "not otherwise classified" classification, is applicable to insurance inspectors, outside claim adjusters, and/or safety engineers, appraisers of fire companies engaged in estimating the salvage value of property, and employments of a similar character.
- **AIR POLLUTION INSPECTOR**
- **ANIMAL - JUDGING ONLY**
- **APPRAISING OF BUILDING, CONTENTS AND MACHINERY**
- **BOILER INSPECTION**
- **ELEVATOR INSPECTING**
- **INSURANCE COMPANIES - ALL OTHER INSPECTORS**
- **JUDGING (CONTEST - ANIMAL)**
- **MARINE APPRAISER OR SURVEYOR**
- **RACETRACK OPERATION HORSE OR DOG RACING OFFICIALS OTHER THAN STARTERS OR THEIR ASSISTANTS**
- **SAFETY ENGINEERS**

- **UNMANNED AIRCRAFT SYSTEM OR DRONE AIRCRAFT OPERATIONS NOC—AIRCRAFT WEIGHING LESS THAN 55 POUNDS**
  - Applies to employers that operate drone aircraft with a combined weight (including its attached systems, payload, and cargo) of less than 55 pounds for other businesses.

The operation of drone aircraft with a combined weight (including its attached systems, payload, and cargo) of 55 pounds or more for other businesses must be separately rated to the applicable aviation classification.

The manufacture, service, or repair of drone aircraft must be separately rated to Code 3685 or 3830.
- **CONSTRUCTION – JOB SITE SALESPERSONS AND ESTIMATORS**

Applies to employees who perform job site measurements or inspections to prepare bids for a job for a construction contractor. Employees who work for contractors and provide sales estimates, but do not conduct the actual construction, are also assigned to Code 8720. Employees may perform these measurements or inspections from ground level, in crawl spaces, on ladders, or on roofs. Code 8720 does not apply when the employee also performs construction duties or supervises construction workers at the same job site. In those cases, the employee's payroll at that job site must be assigned to the appropriate construction classification. A division of payroll is not permitted between Code 8720 and a construction classification on any single job site.

CODE 8742

- **SALESPERSONS, OR COLLECTORS, OUTSIDE** - Applies to employees engaged in such duties away from the employer's premises. This classification shall not apply to employees who deliver merchandise. Any salespersons whose duties include occasional courtesy delivery of a nominal quantity of the merchandise sold shall still be classified as salespersons. Employees who deliver merchandise shall be assigned to the classification applicable in that risk to drivers even though they also collect or sell. If they walk or use public transportation, they shall be assigned to the governing classification. Code 8742 does not apply when the basic classification wording includes outside salespersons and collectors. Refer to Code 8720 for assignment of construction job site salespersons and estimators.
- **AUTOMOBILE FINANCE CO - REPOSSESSING**
- **BOY & GIRL SCOUTS-EXECUTIVE SECRETARIES**
- **CANVASSING - HOUSE TO HOUSE**

- **ESCORT SERVICE**
- **LOG SCALERS-BUYERS-NO SCALING, CRUISING, ETC**
- **PHOTOGRAPHERS - NEWSPAPER**
- **SALESPERSONS, OR COLLECTORS, OUTSIDE** - Subject to Rule IV.B. Coverage Under the Federal Employers Liability Act (FELA)
- **SIGHT SEEING SERVICE - TOUR LECTURERS**
- **U.S.O. OPERATIONS TRAVELERS AID SOCIETY**
- **WELCOME WAGONS**