R.C. 1963

To the Members of the Board

RE: New York Workers Compensation  
Code 3629 – Precision Machined Parts Mfg. NOC

The Rates Committee has adopted, and the New York State Insurance Department has approved, with an issue date of January 1, 2001, changes to the phraseology for the precision machine shop classification code.

Currently, there are two machining classifications: Code 3632 “Machine Shop NOC” and Code 3629 “Precision Machined Parts Mfg. NOC.” Prior to the establishment of Code 3629, Code 3632 was the only machining classification in existence.

Code 3629 was established to recognize the fact that some machine shops were turning out quantities of small precision parts, many of which were used by the government in military and naval applications during World War II. With the erection of two machine shop codes, there needed to be a demarcation to distinguish which shops should be assigned to Code 3629 and which shops should be assigned to Code 3632. It was, therefore, established that, to be eligible for Code 3629, every surface of each part had to be held to a tolerance of .001” or closer to qualify for its use. This tolerance became the requirement for authorization for Code 3629 since a study of blueprints, at that time, showed that precision machine shops routinely held tolerances to one thousandth of an inch or closer. This tolerance was later reduced to 90% of the surfaces and in 1955, the current requirement of “not less than 50%” was implemented.

In order to determine eligibility for Code 3629, a Rating Board inspection is conducted and six random blueprints of current jobs are reviewed to determine whether or not the insured is eligible for this code. Problems have occurred following these inspections, however, since many times the carrier has endorsed the policy for Code 3629 prior to the inspection and must now change the insured’s classification to the higher rated Code 3632. This misclassification is caused, in part, by the fact that although the procedure is shown in the New York Digest of Rulings and Interpretations, the Classification Manual does not spell out the current procedure.
In order to minimize the difficulties associated with the assignment of Code 3629, the footnote for this code has been amended to include the existing requirements for the use of this code as well as to indicate that this code may be used only upon specific assignment by the Rating Board. This means that the carrier, prior to policy issuance, must request authorization from the Rating Board in order to use Code 3629.

Attached for your reference is a copy of the amended Page C-67 from the Classification Section of the New York Workers Compensation and Employers Liability Insurance Manual and Page D-48 of the Digest of Rulings and Interpretations. Page C-67 amends the footnote for Code 3629 to include the eligibility criteria for the use of this code while Page D-48 eliminates the entry in the Digest.

Revised manual pages will be distributed as soon as they are available.

Very truly yours,

Monte Almer

President

CD:tg
Encl.
POWER PLOW or Traction Engine MFG. 3507

PRECIOUS STONE SETTING 3384

PRECISION MACHINED PARTS MFG. NOC 3629
Applies to manufacturers of parts for arms, aircraft or similar apparatus. Shall not be assigned to a risk engaged in operations described by another classification unless the operations subject to Code 3629 are conducted as a separate and distinct business. This classification shall apply only to risks where the plans or specifications require that not less than 50% of all machining operations performed by the risk shall be held to final tolerances of .001” or closer.

May be used only upon specific assignment by the Rating Board.

PRINTING 4299
Includes incidental assembling, stapling or binding of circulars, pamphlets or catalogues. Artists, or designers, engaged exclusively in creative work or original design, proofreaders, editors, clerical office employees or pre-press operators using desktop computers to be separately rated as Code 8810 “Clerical Office Employees.” Reporters, advertising or circulation solicitors to be separately rated as Code 8742 “Salespersons.”

Refer to Code 8012 for quick print shops and Code 8016 for photocopy shops.

PRINTING or Bookbinding MACHINERY MFG. 3548

PROJECTILE or Shell MFG. — See “EXPLOSIVES”

PUBLIC LIBRARY or MUSEUM:

PROFESSIONAL EMPLOYEES 8838

ALL OTHER EMPLOYEES & Drivers 9101

PUBLIC LIVERY — See "TAXICAB or Livery SERVICE—PUBLIC"

PULP MFG.—CHEMICAL process 4207
Logging or lumbering to be separately rated as Code 2702.

PULP MFG.—GROUND WOOD process 4263
Logging or lumbering to be separately rated as Code 2702.

PUMP MFG. 3612
Foundry operations to be separately rated.
Photostat Production........................................................................ 8016
Picture Frame Mfg.—cutting and soldering light gauge metal molding .................................................. 3381
Picture Frame Mfg.—wood—no power driven machinery .................................................................... 2881
Pipe Cleaner Mfg. ........................................................................ 2387
Pipe Covering Mfg.—from sheet asbestos ......................................................................................... 4250
Plastics:
Bag or blow molding .................................................................................. 4452
Compression or Injection Molding ................................................................. 4475
Converting all types of plastic raw materials into sheets, rods, tubes or molding materials ............. 4459
Formed by laminating under heat and pressure .................................................. 4475
Formed by pouring, casting or dipping ...................................................................................... 4452
Molded product assembling and subsequent finishing ......................................................... 4476
Plastic Extrusion ....................................................................................... 4459
Products fabricated from sheets, rods or tubes—machining, bending, buffing or polishing ................ 4452
Vacuum forming .......................................................................................... 4452
Pleating, Stitching, or Tucking—women’s dress fabrics or trimmings—not clothing manufacturing ....... 2388
Polishing and Buffing—small metal articles—shop only—no manufacturing or plating ....................... 3381
Popcorn Mfg. ......................................................................................... 2041
Potato Chip Mfg. ..................................................................................... 6504
Poultry—processing by poultry farms—See Farms
Powder Puff Mfg.—from fabrics or dressed wool skins .............................................................. 2553
Precious Metals—refining, alloying, rolling or drawing—no stamping or forming .......................... 3383

Printing:
Offset Plate Mfg.—from thin gauge aluminum .............................................................................. 4361
Photostat Production ................................................................................... 8016

Printing and Newspaper Publishing:
Risks engaged in both job printing for others and newspaper publishing shall be assigned to the classification which describes the principal operation.
Printing or embossing on glass or plastic containers by specialist contractors .................................. 4299