To the Members of the Board

RE: New York Workers Compensation Classification Amendments
   1. Sales Conducted Over the Telephone
   2. Building Wrecking – Code 5701

The Rates Committee has adopted, and the New York State Insurance Department has approved the following classification changes as explained below:

1. Sales Conducted Over the Telephone – Classification Section

R.C. Bulletin 2033 announced the elimination of Code 8742 for inside salespersons with an effective date of October 1, 2003. In situations where Code 8742 was previously assigned to inside sales, the governing classification of the employer is now applicable.

Prior to this change, Code 8742 – Salesperson Inside included a footnote that read:

“Employees who sell or solicit exclusively by telephone are to be assigned to Code 8810 Clerical Office Employees.”

With the elimination of Code 8742 and its footnote, there was no indication in the Classification Section of the New York Workers Compensation and Employers Liability Insurance Manual that Code 8810 applies to sales that are exclusively conducted over the telephone.

The attached Page C-91, with an issue date of January 1, 2004, has been amended to include an entry to show that Code 8810 applies to sales conducted exclusively over the telephone.
2. **Sales Conducted Over the Telephone – Digest of Rulings and Interpretations**

   At the same time that Code 8742 was eliminated for inside salespersons, the explanation of wholesale transactions in Section III of the Digest of Rulings and Interpretations was also amended to reflect the elimination of this code as described in R.C. Bulletin 2033. This explanation, as shown on the attached Page D-58, with an issue date of January 1, 2004, is further clarified to avoid confusion in determining a wholesale transaction.

3. **Building Wrecking – Code 5701**

   R.C. Bulletin 2037 announced the elimination of the New York Building Wrecking Rating Plan and Code 5708 effective October 1, 2003. Code 5701 was established to apply to all building wrecking and demolition jobs and now uses an exposure base of payroll in lieu of the use of cubical contents of a building under the old Plan.

   When Code 5701 was established, the rate for this class was based upon an average rate of all of the contracting classifications considered to be relevant to these operations. Code 5701 does not currently include drivers, although most of the classifications that comprise Code 5701 currently do include drivers.

   Effective April 1, 2004, drivers will be included under Code 5701 as shown on the attached Page C-102.

   Manual pages will be distributed as soon as they become available.

   Very truly yours,

   Monte Almer

   President

CD:tg
Encl.
TAXIDERMIST 9600

TAXIMETER or Speedometer MFG. 3685
 Applies to professional or scientific instruments.

TELECOMMUTER CLERICAL EMPLOYEES 8871
 Subject to the standard exception manual rule.

TELECOMMUTER DRAFTING EMPLOYEES 8871
 Subject to the standard exception manual rule.

TELEPHONE or TELEGRAPH CO.: 8901

OFFICE or Exchange EMPLOYEES & Clerical 8901

ALL OTHER EMPLOYEES & Drivers 7600
 Includes operation, maintenance, extension of lines and making of service connection.

TELEPHONE, Telegraph or Fire Alarm LINE CONSTRUCTION & Drivers 7601
 Shall not be assigned to a risk engaged in operations described by Code 7600 “Telephone or Telegraph Co.—All Other Employees—& Drivers.”

TELEPHONE, Television, Radio or Telecommunications Device MFG. NOC 3681

TELEPHONE SALES—Exclusively 8810

TELEVISION or Radio BROADCASTING STATION—ALL EMPLOYEES—& Clerical, Outside Salespersons, Drivers 9610
 Includes players, entertainers or musicians. The entire remuneration of all employees shall be included in computing premium, subject, however, to the maximum average weekly wage per employee shown in the rate pages under “Miscellaneous Values” as “Maximum Remuneration.”

TELEVISION or Radio SET INSTALLATION, SERVICE or REPAIR & Drivers 9519
 Includes shop or outside employees, incidental parts department employees, erection of antennae. Electrical wiring to be separately rated as Code 5190. Tower erection to be separately rated as Code 5040 “Iron or Steel Erection—Towers.”

TELEVISION, Radio, Telephone or Telecommunications Device MFG. NOC 3681

TENNIS CLUB & Clerical 9065
 Applicable to public or private clubs with tennis, handball, paddleball, racquetball or squash as the principal activity of the club.

TENT, Awning or Canvas Goods ERECTION, Removal or Repair & Drivers 9539
 Applies to operations away from the shop.
WOOL MERCHANT & Drivers
Includes warehouse.

WOOL PULLING

WOOL SEPARATING
Applies to chemical separation of wool from cotton.

WOOL SPINNING AND WEAVING

WRECKING:

WRECKING—BUILDINGS & Drivers—not marine

WRECKING—MARINE & SALVAGE OPERATIONS:
Refer to manual Rule XIII.A.5

WRECKING—NOT BUILDING or MARINE wrecking

YACHT CLUB—See "CLUB—COUNTRY—& Clerical"

YARD—CONSTRUCTION or ERECTION—PERMANENT
Applies only to a permanent yard maintained by a construction or erection risk for the storage of material or the storage and maintenance of equipment. Not available at a construction site. May be used only upon specific assignment by the Rating Board. Mill operations or fabrication to be separately rated.

YARN MFG.—wool
Code 2286 and Code 2302 “Yarn or Thread Mfg.” shall not be assigned to the same risk unless the operations described by these classifications are conducted as separate and distinct businesses.

YARN or Thread DYEING or FINISHING
Yarn or thread mfg. to be separately rated. Shall not be assigned to a risk engaged in operations described by another classification unless the operations subject to Code 2416 are conducted as a separate and distinct business.

YARN or Thread MFG.—cotton, linen or silk

YEAST MFG.

YMCA, YWCA, YMHA or YWHA, INSTITUTION—ALL EMPLOYEES—& Clerical
Includes teachers and instructors. Camp operation to be separately rated as Code 9048.

ZOO NOC—ALL EMPLOYEES—& Drivers
Operation, care and maintenance of amusement devices shall be separately rated as Code 9180 “Amusement Device Operation NOC—Not Traveling—& Drivers.”
Retail v. Wholesale (continued)

Wholesale transactions include:

1. Sales to others for resale.

2. Sales of raw materials, supplies or parts to builders, contractors, commercial or industrial firms, repair shops, institutions, schools, municipalities or others for use in their operations.

3. Sales made by firms that conduct sales via mail order, catalog or the Internet provided that handling or shipping of the actual merchandise to the customer is involved and regardless of whether the sales are made on a retail or wholesale basis.

If no merchandise is handled or shipped by the insured from the same or from another location and the orders involve written responses only, the appropriate retail store classification is assigned. The same applies to sales conducted in a salesroom or showroom from samples or catalogs when no merchandise is handled or shipped by the insured.

4310 Greeting Card Dealer—wholesale

4310 Greeting Card Mfg.

Operations Covered

This classification applies to risks engaged in the wholesale distribution of greeting cards or the manufacturing of greeting cards.

1. Wholesale dealers in greeting cards buy finished cards from the manufacturers of such products for resale to retail stores. Wholesale dealers also engage in some finishing operations usually performed by greeting card manufacturers such as pasting, or attaching novelties, decorations and ribbons. Operations also include sorting, examining, collating, counting, boxing and shipping.

2. Manufacturers of greeting cards engage in operations such as lithographing, printing, cutting, stripping, folding, pasting, attaching decorations, novelties, and ribbons, sorting, examining, collating, counting, boxing, packing and shipping.

Operations Not Covered

1. Risks engaged solely in printing for firms which manufacture greeting cards, not performing any subsequent operations on the printed stock. Assign Code 4299 "Printing or Lithographing."

2. Retail stores engaged principally in selling greeting cards. Assign Code 8017 "Retail Store NOC."

7998 Hardware Store—retail

Operations Covered

This classification applies to retail dealers principally engaged in selling articles such as nails, screws, bolts, washers, gaskets, brackets, locks, hinges, electrical outlet boxes, switches, fuses, plugs, sockets, hand or machine tools, portable electric tools, plumbing fittings and garden tools and equipment including lawn movers and snow plows.