July 12, 2007

Contact: Martin G. Heagen, VP & Actuary
Ext. 117, mheagen@nycirb.org

R.C. 2134

To the Members of the Board

Re: New York Workers Compensation
2007 General Rate Revision

On July 11, 2007, Governor Eliot Spitzer announced a major reduction in workers compensation costs that takes into account the effects of the 2007 reform legislation that he signed into law on March 13 of this year. The major provisions of the reform were included in R.C. bulletin 2133 issued on March 16, 2007.

As ordered by the Superintendent of Insurance, overall policyholders costs will be reduced 20.5% effective October 1, 2007. This reduction includes both changes in manual rates as well as a change to the New York State Assessment.

On July 2, 2007, the Board submitted a filing for an overall 16.3% reduction in workers compensation costs which included, as well, the change in the New York State Assessment. The Rating Board is currently in the process of reviewing the details of the Superintendent’s Opinion & Decision in order to properly implement the Department’s Order.

It is anticipated that revised rates, rating values, the effect on outstanding policies and the New York State Assessment charges will be published by the Board on or about August 1, 2007.

Very truly yours,

Monte Almer

President

MA:ab