March 4, 2009

Contact: Ms. Annmarie Visciano
Manager, Underwriting Services
Ext. 161, avisciano@nycirb.org

R.C. 2201

To: The Members of the Board

USL&H – Boat Repairers – Classification Change

The American Recovery and Reinvestment Act of 2009 ("stimulus bill") was recently enacted into law by President Obama. This Act contains a provision that affects the US Longshore and Harbor Workers Compensation (USL&H) Act. Specifically, Section 803 of the Act amends the recreational vessel building, repair and dismantling exclusion (33 U.S.C. 902(3)(F)). The change removes ‘Boat Repairers’ from inclusion on requiring USL&H coverage. The effective date for this change is not specified and is assumed to be effective with the passage of the bill.

More specifically, the provision is provided and modified as follows:

“(F) individuals employed to build, repair or dismantle any recreational vessel under sixty-five feet in length--; or individuals employed to repair any recreational vessel, or to dismantle any part of a recreational vessel in connection with the repair of such vessel;”

The exclusion will continue to apply to individuals employed to “build” any recreational vessel under sixty-five feet in length. However, with respect to the “repair” or “dismantling of any part of a recreational vessel,” a length requirement is no longer required to trigger the exclusion.

The exclusion potentially affects the following national classification codes:
• Code 6801F—Boatbuilding—Wood—NOC & Drivers
• Code 6811—Boatbuilding—Wood—NOC & Drivers
• Code 6824F—Boatbuilding or Repair & Drivers
• Code 6834—Boatbuilding or Repair & Drivers
• Code 6826F—Marina & Drivers
• Code 6836—Marina & Drivers
• Code 6872F—Ship Repair Conversion—All Operations & Drivers
• Code 6882—Ship Repair Conversion—All Operations & Drivers

Policies containing the above code(s) should be reviewed by the issuing carrier.
It is possible that USL&H coverage may no longer be required for certain risks. It may be appropriate to amend a policy and to replace a code with a State Act code, or to remove the USL&H load from the State code rate.

This exclusion affects recreational vessel building, repair and dismantling. It does not apply to marine construction, such as pile driving, jetty or breakwater construction, and dock or seawall construction or repair.

NYCIRB does not intend to amend or discontinue any classification codes at this time as a result of the exclusion. However, please note that NYCIRB continues to review and examine the impact of this legislation and in particular identification of any classification code adjustments. We will advise you of any further changes affecting these codes which may also necessitate the updating of the Board’s WC & EL Manual.

Very truly yours,

Monte Almer

President

WVT:tg
Encl.