BULLETIN

July 2, 2015

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R.C. 2389

To: The Members of the Board

Rule V - Payroll Basis – Correction
Issue Date: October 1, 2015

In accordance with the authorization of the Underwriting Committee, and approval by the New York State Department of Financial Services, we are providing an amendment to the Manual regarding a correction to the wording shown in the captioned Rule, with an issue date of October 1, 2015.

Presently, Rule V D. of the manual incorrectly states that “Wholesale Dollars are to be shown to the nearest dollar.” The proper phrasing for this rule is “Whole Dollars are to be shown to the nearest dollar.” This amendment reflects this correction.

The update is shown and attached in Rule V, Item D, Page R-33 of the Manual. It is also reflected in an updated version of the New York Workers Compensation & Employers Liability Manual on the Board’s website at: www.nycirb.org.

Very truly yours,

Monte Almer
President

WVT:tg
Encl.
2. **Determination of Estimated Payrolls**

   Estimated payrolls shown on the Information Page shall reflect actual remuneration anticipated by the insured during the policy period. Such estimates shall be subject to substantiation by records or inspections.

3. **Approval of Estimated Payrolls**

   Adequacy of estimated payrolls is subject to approval by the Rating Board.

**D. WHOLE DOLLARS–PAYROLLS**

All payrolls shall be shown to the nearest dollar. A remainder of $.50 shall be rounded to the next higher dollar.

**E. OVERTIME**

1. **Definition**

   Overtime means those hours worked for which there is an increase in the wage rate of pay:

   a. For work in any day or in any week in excess of the number of hours normally worked; or
   b. For hours worked in excess of 8 hours in any day or 40 hours in any week; or
   c. For work on Saturdays, Sundays or holidays.

   In the case of guaranteed wage agreements, overtime means only those hours worked in excess of the number specified in such agreement. Premium wages paid for night shift work do not constitute overtime within the provisions of this rule.

2. **Exclusion of Overtime Payroll**

   The extra pay for overtime shall be excluded from the payroll on which premium is computed as indicated in a. or b. below, provided the insured's books and records are maintained to show overtime pay separately by employee and in summary by classification.

   a. If the records show separately the extra pay earned for overtime, the entire extra pay shall be excluded.

   b. If the records show the total pay earned for overtime (regular pay plus overtime pay) in one combined amount, one-third \((1/3)\) of this total pay shall be excluded. If double time is paid for overtime and the total pay for such overtime is recorded separately, one-half \((1/2)\) of the total pay for double time shall be excluded.