



March 7, 2002

BUREAU CIRCULAR NO. 757

To All Members of the Bureau:

Re: **MANUAL REVISIONS**
EFFECTIVE JUNE 1, 2002

- 1) Sections 1, 2 and 5 – Housekeeping Revisions
- 2) Codes 451, Automobile, Truck Or Trailer Body Mfg., and 463, Automobile Mfg. Or Assembling
- 3) Code 860, Scrap Metal Dealer
- 4) Codes 660, Alarm or Sound System, Installation or Repair, and 662, Household Appliances, Service or Repair

The Bureau has filed and the Insurance Commissioner has approved Manual revisions to Sections 1, 2 and 5 pertaining to changes in classification procedure in Delaware. These revisions become **effective as of 12:01 a.m., June 1, 2002** with respect to new and renewal business only.

The revisions, as referenced above, are discussed below.

1) Sections 1, 2 and 5 – Housekeeping Revisions

These revisions will make the Manual clearer and less ambiguous by clarifying key classification procedures and updating class language to bring it into alignment with other Manual provisions or recognize technological or industrial change. The Employment Contractor - Temporary Staffing Cross-Reference Chart has also been updated to incorporate the needed revisions contained in the other items in this circular. There are also several changes in procedure, i.e., merging Code 439, Chain Mfg., into Code 435, Spring Mfg. – Hot Wound, the reassignment of "Towel or Toilet Supply Dealer – Not Connected With a Laundry" from Code 924, Wholesale Store, N.O.C., to Code 916, Clothing or Dry Goods Store, the reassignment of "ATM Installation, Service or Repair" from Code 675, Machinery Or Equipment Erection or Repair, to Code 933, Vending Or Coin Operated Machine – Installation, Service or Repair, and the inclusion of drilling performed during grouting jobs into the grouting assignment – Code 654, Concrete Construction. All four of these classification procedure revisions reassign the operations in question to a classification currently having lower rating values.

The proposed language revisions are detailed below:

Section 1:

- Revisions clarify the minimum notice and that the implementation date of a class reassignment resulting in any increase to collectible premium shall be upon the next normal policy renewal.
- Revisions delete language suggesting that rating values for either Admiralty or Federal Employer's Liability Act classes may be found on the Section 2 state rate pages.
- Revisions delete the Section 1, Rule XIV definitions of "Agriculture" and of various agricultural classes and consolidate such references in Sections 2 and 5.

Section 2:

- Revisions delete the phrase "separately rate" or "separately rated" from 17 classes, as there never was an intent by the Bureau to exempt the cited operations from the single employees payroll rule.
- Revisions clarify which operations are to be excluded in the exclusionary statement in nine classes, clarify the titles of the commercial and residential carpentry classes (Codes 651 and 652) and substitute "raising" for "growing" or "grower" in the titles of Codes 0008, Mushroom Grower, and 0011, Flower Growing.
- Revisions delete the class title of the other Bureau class referenced in 35 class descriptive footnotes, as class titles change more frequently than do class scopes.

Section 5:

The additions, changes or deletions to the Rulings and Interpretations or the Underwriting Guide clarify class scope by placing classification practices that the Bureau is already using in the Manual or bring a Section 5 entry into alignment with a revision to Section 2 or to another Section 5 entry.

The proposed Manual revisions are shown below with new wording underlined and deleted wording bracketed:

SECTION 1

RULE IV – CLASSIFICATIONS

C. ASSIGNMENT OF CLASSIFICATIONS

8. Changing Classifications

- b.** (1) A change in classification..... termination thereof.
- (2) A correction..... termination thereof.

[If it is determined that an existing class assignment was made in error due to something other than employer misrepresentation and if the class reassignment will result in either carrier class rate or Bureau rating value of more than 25 percent, the employer shall be given no less than six months written notice of the effective date of the change.]

(3) A correction of a misclassification which results in a premium increase shall be applied effective the employer's first normal policy renewal at least six months subsequent to the date of the Bureau's written misclassification notice concurrent to the carrier of record and the employer.

RULE XIII - THE ADMIRALTY LAW AND THE FEDERAL EMPLOYERS LIABILITY ACT

G. WATERS NOT UNDER ADMIRALTY JURISDICTION

1. Coverage

An insured may conduct operations on waters not subject to admiralty jurisdiction. [Insurance for such operations shall be provided by the Standard Policy] The Standard Policy and endorsement forms shall provide insurance and is subject to the rules which apply to statutory workers' compensation insurance. [Rates are on the state rate pages. See Section 2, Classifications & Rates.]

[2. Premium Determination]

[The admiralty classifications and rates for Program II apply to operations described in 1. above. Rates are on the state rate pages. See Section 2, Classifications & Rates.]

[3]2. Admiralty Law or U.S.L. & H.W. Act Liability

If there is..... to Rule XII.

RULE XIV – AGRICULTURAL, DOMESTIC WORKERS – RESIDENCES

A. DEFINITIONS

1. [Agriculture, the art or science of cultivating the ground, includes not only farming but also horticulture – the cultivation of a garden or orchard, the art of growing fruits, vegetables, or ornamental plants – and the breeding, raising and care of livestock for sale or for dairying purposes. Agriculture includes the marketing and transportation of those products by the farmer.] Please refer to the "Agriculture" Ruling and Interpretation in Section 5 of this Manual.

[Except for the industries described in the following paragraphs (a), (b), (c) and (d)

a]Agriculture is included in [class]Codes 0006, 0008, 0011, 0013, 0016, 0034, 0036 and 0083. For definitions of individual agricultural classes please see the Farms class listing in Section 2.

[(a) The term "Florist"..... of these products.]

[(b) The term "Nurserymen"..... Class 609, Excavation.]

[(c) The term "Gardeners" for Landscape Contractors.]

[(d) The term "Poultry or Egg Producers"..... for commercial purposes.]

2. Inside Domestic Workers

Domestic Workers – Inside..... with such residence.

D. CLASSIFICATIONS

1. [Domestic Workers]Please refer to the Section 2 Domestic Workers class listing for the Domestic Workers classifications.

[INSERVANTS, excluding office employees..... 913]

[INSERVANTS – Occasional 0908]

[OUTSERVANTS – including private chauffeurs and occasional private chauffeurs... 0912]

[OUTSERVANTS – Occasional..... .0909]

[(Classifications 0912 and 0909 are not available for use in connection with the operation of a farm.)]

[Exception to 1 above

If commercial farm operations are conducted, Code 0912 and 0909 do not apply to any operations at the farm location. Refer to the Farm Classifications.]

2. [Agriculture Workers]Please refer to the Section 2 Farms class listing for the agricultural classifications.

[FIELD CROP and VEGETABLE FARMS –

the raising of..... 0006]

[MUSHROOM GROWERS – including drivers – no commercial farming..... 0008]

[Applies to..... .employees.]

[FLORIST – This classification..... 0011]

[Contract GARDENER, NURSEYMAN and Landscape Contractor..... 0013]

[Personal servants..... contracting classifications.]

[ORCHARD – the raising of fruit and nut trees and of berries or grapes.]

[Inservants shall be..... 0016]

[POULTRY or EGG PRODUCERS – including drivers – no commercial farming..... 0034]

[Risks with hatchery operations..... Wholesale Stores.]

[DAIRY FARM – Farms engaged..... 0036]

[LIVESTOCK (excluding dairy) FARMS..... 0083]

SECTION 2**CHANGES**

005 TREE PRUNING, Spraying, Repairing or Fumigating, No payroll division with Class 0013[, Gardeners, Nurserymen,] at the same location or job site.

028 OIL or GAS PRODUCTION, casing-head gas.
As provided for in this Manual separately [rate]classify: erecting or dismantling of derricks drilling, redrilling or deepening, installation or recovery of casing, well shooting, cementing, tank building or tapping operations.

136 EMBROIDERY MFG.

Includes quilted cloth manufacturing for garment or household furnishings. Payroll developed in mattress or box spring mfg. shall be classified by Code 165[, Mattress or Box Spring Mfg].

161 APPAREL MFG.

Restricted to the manufacture of wearing apparel from woven or knit fabrics or related materials such as leather [or], rubber or resin coated fabrics.

The manufacture of yarn into knitted cloth or fabric shall be assigned to Code 134[, Knit Goods Mfg.,] when performed by a separate group of employees in a physically separate department. If there is no separation, all payroll shall be assigned to Code 134.

165 MATTRESS, or BOX SPRING MFG.

The manufacture of wire springs shall be classified by Code 457[, Wire Goods Mfg.,] provided such operations are conducted by a separate crew of employees in a physically separate department.

222 PLASTIC Articles MFG., N.O.C.

Includes all plastic molding techniques except for injection molding which is assigned to Code 221 and the molding of plastic composite products which is assigned to Code 227.

257 BOX MFG. – PAPER.

Includes the manufacture of rigid (set-up) or folding boxes and the printing of or on such products by the box manufacturer. There shall be no payroll division between Code 257 and Code 281[, Printing,] unless the [risk]employer fulfills the multiple enterprise criteria delineated in Rule IV, Paragraph C. 3. a. 2., Section 1 of the Manual.

259 PAPER PRODUCTS MFG., N.O.C.

Includes but is not limited to the manufacture of paper bags, cups, dishes or plates, tissue products or other paper products not otherwise classified and the printing of or on such products by the manufacturer. There shall be no payroll division between Code 259 and Code 281[, Printing,] unless the [risk]employer fulfills the multiple enterprise criteria delineated in Rule IV, Paragraph C. 3. a. 2., Section 1 of the Manual.

261 CORRUGATED PAPER AND/OR CORRUGATED PRODUCTS MFG.

Includes the manufacture of corrugated paper or fiberboard and/or the manufacture of corrugated/fiberboard products and the printing of or on such products by the manufacturer. There shall be no payroll division between Code 261 and Code 281[, Printing,] unless the [risk]employer fulfills the multiple enterprise criteria delineated in Rule IV, Paragraph C. 3. a. 2., Section 1 of the Manual.

263 PAPER COATING/FINISHING.

Includes the coating, laminating, converting and/or finishing of paper, plastic film or other materials (except rubber or textile fabric) and the printing of or on such products by the manufacturer. There shall be no payroll division between Code 263 and Code 281[, Printing,] unless the [risk]employer fulfills the multiple enterprise criteria delineated in Rule IV, Paragraph C. 3. a. 2., Section 1 of the Manual.

265 STATIONERY PRODUCTS MFG.

Includes but is not limited to the manufacture of stationery products such as notebooks, loose-leaf ledgers, ringed binders, index cards, computer paper, file folders, or jackets and the printing of or on such products by the manufacturer. There shall be no payroll division between Code 265 and Code 281[, Printing,] unless the [risk]employer fulfills the multiple enterprise criteria delineated in Rule IV, Paragraph C. 3. a. 2., Section 1 of the Manual.

305 CARPENTRY SHOP, including Planing Mill

Includes but..... this Manual.

[Risks]Businesses also engaged in selling lumber and/or building materials on a whole-sale or retail basis with a separate staff of employees may have a division of payroll with Code 855[, Lumber and/or Building Material Dealer]. Code 855 will apply to the yard and delivery staffs. If further engaged in the sale of hardware in a physically separate department by a separate staff, payroll so developed shall be assigned to Code 935[, Lumber and Building Material Dealer – Store Employees].

403 ROLLING, DRAWING or EXTRUDING OF NON-FERROUS METALS.

Also includes making non-ferrous pipe or tubes or forging non-ferrous metals.

Subsequent product(s) manufacturing operations conducted by a separate crew(s) of employees, in a physically separate department(s), shall be separately classified as provided for in this Manual.

421 STEEL FOUNDRY, Open-Hearth and Electric.

The secondary machining of castings by a separate staff in a physically separate work area shall be assigned to Code 461[, Machine Shop].

425 IRON FOUNDRY, N.O.C.

The secondary machining of castings by a separate staff in a physically separate work area shall be assigned to Code 461[, Machine Shop].

427 MALLEABLE Iron FOUNDR[IES]Y.

The secondary machining of castings by a separate staff in a physically separate work area shall be assigned to Code 461[, Machine Shop].

429 DIE CASTINGS MFG.

Also includes secondary machining of die castings by the die casting employer. There is no payroll division with Code 461[, Machine Shop].

431 FORGING.

Includes die making, trimming or grinding and heat treating operations. The secondary machining of forgings by a separate staff in a physically separate work area shall be assigned to Code 461[, Machine Shop].

433 TOOL MFG. – Forged.

Also includes secondary machining of the forged tools by the forge employer. There is no payroll division with Code 461[, Machine Shop].

435 SPRING MFG. – Hot Wound.

Also includes Chain Mfg.

457 WIRE GOODS [,] MFG.

Includes the manufacture[rs] of wire springs by cold winding technologies. The making of springs from bar stock by hot wound methodologies must be assigned to Code 435[, Spring Mfg].

483 OFFICE MACHINE MFG. - Installation or repair conducted by a separate crew to be separately [rated]classified by Code 952.

651 CARPENTRY - [N.O.C.]COMMERCIAL Structures.

652 CARPENTRY - [DETACHED] RESIDENTIAL [one- or two-family] DWELLING. [Also i]Includes one- or two-family detached houses, townhouse or row dwellings or buildings designed primarily for multiple dwelling occupancy three stories or less in height or garages constructed in connection with the dwellings.

This classification..... separately classified.

659 ROOFING – No payroll division with Code 676 [Sheet Metal Installation,] at the same location or job site.

661 ELECTRICAL WIRING – within BUILDINGS.

Includes electric fixtures or apparatus installation or the making of service connections. For electric, telephone or telegraph line construction, see Code 656[, Electric, Telephone or Telegraph Line Construction by Contractor].

664 HEATING, VENTILATING or AIR CONDITIONING CONTRACTOR.

Applicable to..... or shop work.

Payroll developed in the installation of heating equipment which will utilize either hot water or steam shall be assigned to Code 663[, Plumbing]. High pressure water or steam heating systems shall be assigned to Code 677[, Boiler Installation,] for the installation, service or repair thereof.

665 PAINTING and Decorating, including shop.

[Excluding t]The painting of steel structures [and]or bridges shall be assigned to Code 655.

666 PLATE and Wire GLASS INSTALLATION.

Payroll developed by a separate shop crew engaged in the manufacture of glass products including the bending, beveling, grinding or silvering of plate glass shall be separately classified by Code 536[, Glass Products Mfg. – from purchased glass].

668 TILE, STONE, MOSAIC or TERRAZZO WORK – Interior Construction Only including Marble Setting, and Tile Wainscoting but excluding Cement Finishing and Structural Glass Block Installation.

Structural glass block installation shall be assignable to Code 653[,Masonry].

674 SWIMMING POOL CONSTRUCTION, all work to completion. The construction of iron or steel pools shall be assigned to Code 655[, Iron Erection]. Maintenance work by a separate crew or a specialist contractor is to be assigned to Code 971[, Buildings].

677 BOILER INSTALLATION or Repair.

Includes all work to completion except [brick work]brickwork, which must be assigned to Code 653[, Masonry].

682 Employment Contractor – Temporary Staff - **CONSTRUCTION** [o]Or **ERECTION OPERATIONS**.

Applies to temporary employees provided to a construction or erection contractor except for temporary excavation, commercial [(non-residential)] structure carpentry or electrical wiring (within buildings) staff which are subject to Codes 691, 693 or 695, respectively.

Please see..... temporary staff.

693 Employment Contractor - Temporary COMMERCIAL Structure **CARPENTRY**, [N.O.C.] Staff

Applicable only temporary staff.

716 MARINA.

Applicable to all waterfront operations, including but not necessarily limited to: the operation of boat docks, storage facilities, repair shops or marine railways, the sale or repair of boats or engines, the sale of parts or accessories, dockside snack bars and all dockside employees. The operation of separately-staffed inland boat showrooms [in towns] or the operation of separately-staffed motels, restaurants, swimming pools, bowling lanes or other recreational facilities shall be separately classified as provided for in this Manual.

Separate staff engaged in boat building are assignable to Code 718.

Coverage under State Act only.

751 GAS UTILITY.

Payroll developed..... Code 951.

As provided for in this Manual separately [rate]classify: geophysical exploration, drilling for gas deposits, the operation of gas wells and the construction or operation of cross-country [pipe lines]pipelines.

752 OIL OR GAS PIPELINE OPERATION - Construction, Operation of Wells or Oil Refining shall be separately [rated]classified.

759 CABLE TELEVISION OPERATIONS.

Applicable to..... system.

Separately staffed broadcasting studios and/or separate crews engaged in the presentation and/or filming of news or sporting events shall be [separately rated as]assigned to Code 936[, Broadcasting Station].

806 FURNITURE MOVING and/or **STORAGE.**

Includes the packaging or handling of household goods away from the [insured's] employer's premises. The transporting or delivery and the setting into place at customers' locations of furniture and/or major household appliances under contract for a manufacturer or store shall be assigned to Code 811[, Trucking, N.O.C].

809 FUEL DISTRIBUTION - Retail or Wholesale.

For ~~[establishments]~~businesses ~~[primarily]~~principally engaged in the sale of processed coal, fuel oil, liquefied petroleum (LP), gas (bottled gas or in bulk), or any combination of these lines. Separate crews engaged in installing and/or servicing fuel oil or gas ~~[burners]~~ heating units may be separately ~~[rated]~~classified as provided for in this Manual. This classification is not available ~~[for risks]~~to businesses operating coal or oil docks or to truckers hauling fuel for others.

811 TRUCKING, N.O.C.

Includes dispatchers and/or clerks on loading platforms, drivers, chauffeurs and their helpers~~[], garage men, and repairmen]~~and employees repairing vehicles.

Applicable to hauling contractors ~~[primarily to exclusively]~~principally engaged in hauling or delivering for unrelated concerns.

Also includes the rental of cranes with operator by a specialist contractor.

814 DEALER[S] IN MOBILE, SELF-PROPELLED factory, farm, or construction **EQUIPMENT** including parts department.

Payroll developed by employees engaged in the sale of mobile self-propelled factory, farm or construction equipment shall be assigned to Code 819[, Automobile Salesperson].

922 FURNITURE STORE, Retail or Wholesale – no woodworking.

Separately staffed installation, service or repair operations shall be separately classified including but not necessarily limited to the examples listed below:

1. The installation of wall-to-wall carpeting, non-ceramic tile or window coverings shall be assigned to Code 670[, House Furnishings Installation, N.O.C].
2. The ~~[installation,]~~ service or repair of major household appliances shall be assigned to Code 662[, Household Appliances – Service or Repair].
3. The service or repair of televisions or other electronic entertainment or communication devices shall be assigned to Code 966[, Television, Video, Audio or Radio Equipment Service or Repair].

923 PACKAGING – CONTRACT – NON-CRATING.

Applies to ~~[risks]~~businesses principally engaged in packaging or repacking cosmetics, toiletries, pharmaceuticals, soaps, cleaning agents, hardware and/or similar merchandise owned by ~~[others]~~unrelated customers as a contract service. Payroll developed by a separate staff in a physically separate work area in the preparation and crating of any type of merchandise for shipment (in shop as a contract service) shall be assigned to Code 305[, Carpentry Shop]. Crating or packaging of any type at customer locations or the repackaging of explosives shall be ~~[separately]~~classified as provided in this Manual.

943 HOME HEALTH CARE – Nonprofessional Staff.

Includes home..... and live-ins.

Payroll developed in the sale or rental of durable hospital equipment or supplies such as hospital beds, wheelchairs, commodes and walkers to the individual home health care patient shall be assigned to Code 928[, Retail Store, N.O.C.,] provided this operation is separately staffed.

946 EMPLOYMENT CONTRACTOR – Temporary Medical Staffing.

Applicable to professional and/or nonprofessional medical staff provided to unrelated health care facilities or to physicians/dentists' practices on a temporary basis. Such employees include but are not necessarily limited to: registered nurses or licensed practical nurses, aides, orderlies, attendants or medical technicians.

[Separately rate p] Payroll developed by [employees]separate staff(s) performing home health care services shall be separately classified as provided in this Manual.

Payroll developed..... temporary staff.

957 PHYSICIAN or DENTIST, all..... to Code 946.

Payroll developed by [employees]separate staff(s) performing home health care services shall be separately classified as provided in this Manual.

960 NURSING and..... location/campus.

Payroll developed by [employees] separate staff(s) performing home health care services shall be separately classified as provided in this Manual.

961 HOSPITAL - all employees..... care services.

Payroll developed by [employees]separate staff(s) performing home health care services shall be separately classified as provided in this Manual.

974 RETIREMENT OR location/campus.

Payroll developed by [employees]separate staff(s) performing home health care services shall be separately classified as provided in this Manual.

976 Y.M.C.A, Y.W.C.A.,..... services employees.

Payroll developed by [employees]separate staff(s) performing home health care services shall be separately classified as provided in this Manual.

979 RESIDENTIAL FACILITY..... location/campus.

Payroll developed by [employees]separate staff(s) performing home health care services shall be separately classified as provided in this Manual.

980 CITY, TOWN, Township or County - all employees, excluding only the following which must be separately [rated]classified as provided in this Manual: Golf Courses, Health Clubs, Housing Authorities, Municipal Authorities, Salaried Policemen or [Firemen]Firefighters [and]or Clerical Office. Inspectors shall be assigned to Code 951.

992 SANITARY COMPANY.

For establishments..... toilets.

Rubbish or garbage removal performed by a separate staff shall be assigned to Code 995[, Rubbish or Garbage Removal].

995 RUBBISH OR GARBAGE REMOVAL.

Also includes..... storage type.

Collection and sorting of recyclables ([i.e.]e.g., newspapers, beverage cans, glass or plastic bottles) by a separate staff[s] (with sorting in a physically separate work area) shall be assigned to Code 862[, Recycling Center.]).

0006 FIELD CROP or VEGETABLE FARM[S] – the raising of all field crops or vegetables or the general farms which carry on a variety of operations.

Separately staffed food processing operations shall be assigned to Code 113[, Preserving or Canning of Food].

Inservants shall be separately classified.

0008 MUSHROOM [GROWER] RAISING.

Applies to [risks]businesses engaged in [the growing of]raising mushrooms, including the incident[al] production of hay or other materials for compost.

Separately staffed mushroom canning operations shall be assigned to Code 113.

0011 FLOWER [GROWING] RAISING.

[For those employers who grow,]Applicable only to businesses raising flowers in fields or under glass [flowers] to be marketed on a commercial basis as cut flowers or living plants.

A store..... or department.

0013 Contract GARDENER, NURSERYMAN or Landscape Contractor.

Personal servants engaged in the care of lawns, shrubs or grounds surrounding the residence of the insured shall be assigned to Class 0912[, Outservant,] or Class 0909[, Outservant, Occasional].

Includes the construction of dry [stone walls]stonewalls, rock gardens, patios, garden walks or the like when such operations are incidental to gardening, nursery or landscape operations.

MARITIME or FEDERAL EMPLOYMENTS

(1) Liability under the..... connection with the above.

Any or all operations as [above] defined above shall be assigned to Code 7309F

[Stevedoring N.O.C.] if the operations described by Item 2 above, whether conducted by one or more concerns, require the use of hoisting equipment except as provided under Code 7327F [Stevedoring – Containerized Freight]. All other operations shall be assigned to Code 7317F [Stevedoring – By Hand]. Drivers not conducting Stevedoring operations as [above] defined above shall be assigned to Code 811 [trucking N.O.C].

6826F MARINA.

Applicable to all waterfront operations, including but not necessarily limited to: the operation of boat docks, storage facilities, repair shops or marine railways, the sale or repair of boats or engines, the sale of parts or accessories, dockside snack bars and all dockside employees. The operation of separately-staffed inland boat showrooms [in towns] or the operation of separately-staffed motels, restaurants, swimming pools, bowling lanes or other recreational facilities shall be separately classified as provided for in this Manual

Separate staff engaged in boat building are assignable to Code 6824F.

7327F STEVEDORING – CONTAINERIZED FREIGHT.

Applies to ships designed for freight carrying containers. No work in holds. Separately staffed over-the-road trucking operations shall be assigned to [Class]Code 811 [Trucking N.O.C.]. No payroll division with a single vessel.

7366F FREIGHT HANDLERS - On piers or in terminals in areas adjoining piers.

Applies to handling cargo on piers or adjoining areas or terminals, incident[al] to loading or unloading vessels. [It]Such cargo handling includes but is not necessarily limited to: freight checks, stuffing and/or stripping containers, [other processing of waterborne cargo and] loading and/or unloading trucks and/or railroad cars [on piers or in adjoining areas or terminals].

Freight handling not on piers or in terminals [or]in areas adjoining piers (Stevedoring) conducted by a separate staff shall [have a division of payroll under Class 811, Trucking, N.O.C.]be assigned in accordance with the class or classes appropriate to the business of the employer.

- (2) Other Maritime or Federal Employments.
Maritime or..... for those coverages.
- (3) Dredging Risks.
The [rate]rating values published in the Delaware Compensation Manual for [Class] Code 713[, Dredging,] contemplate[s] coverage under the State Act only. If coverage is desired under the U. S. L. Act, the Federal increase factor, shown in Section [1]2 on Page [22] 10, shall be applied.
A single policy..... Admiralty policy.

AIRCRAFT OPERATION

The classifications..... and pursers.
Ticket sellers and information clerks away from airport locations shall be separately classified by Code 953[, Office]. Ticket sellers, information clerks and personnel engaged in performing the checking-in of passengers and baggage at airport locations shall be assigned to Code 7428[, Airport Operation – Ground Employees].
When noted..... catastrophe reserve.

7428 AIRPORT OPERATION – ground employees.

Ticket sellers or information clerks away from airport locations shall be separately classified by **Code 953**[, Office]. Ticket sellers, information clerks or personnel engaged in performing the checking-in of passengers and baggage at airport locations shall be assigned to **Code 7428**[, Airport Operation – ground employees].

DELETION

439 CHAIN MFG.

SECTION 5

Rulings and Interpretations

CHANGES

AGRICULTURE

Agriculture, the art..... by the farmer.

Code 917[, Grocery Store – Retail,] may also be assigned when a retail store is operated by a separate crew of employees with no interchange of labor [whatsoever] with the [insured's] employer's other operations, and when separate payroll records are kept [and the store is under the full-time supervision of a store manager].

EMPLOYMENT CONTRACTOR – TEMPORARY STAFFING

Temporary staffing..... than a year.

Employers engaged in..... other business classification(s).

Code 544 chart **deletions:** **439**

Code 682 chart unchanged

Code 929 chart unchanged

Code 937 chart **additions:** **858, 859**

Code 947 chart unchanged

Code 949 chart unchanged

HARDWARE STORE - RETAIL – 925

Applies to retail..... and snow blowers.

In addition, hardware stores may also make keys, sharpen saws or repair storm windows and screens and sell a wide variety of [incidental] non-hardware items such as wallpaper and allied supplies, china, glassware, sporting goods or automobile accessories or parts.

Such stores..... gross receipts.

[Operations Not Covered]OPERATIONS NOT COVERED:

Except as provided for above separately staffed installation, service or repair operations shall be separately classified including but not necessarily limited to the examples listed below:

1. The [installation,] service or repair of televisions, video and/or audio equipment shall be assigned to Code 966.
2. The service or repair of major household appliances shall be assigned to Code 662.

HARDWARE STORE[S] - WHOLESALE – 926

Applies to dealers..... of the gross receipts.

OPERATIONS NOT COVERED:

1. Wholesale dealers principally engaged in selling wire rope or cable assign to Code 857.
2. Retail or wholesale establishments principally engaged in selling building materials such as roofing (including shingles), siding, wallboard, brick and/or lumber assign to Code 855.
3. Wholesale dealers principally engaged in selling plumbing supplies or pipe shall be assigned to Code 885.
4. Wholesale dealers principally engaged in selling electrical supplies (e.g., electric wire, fuses, circuit breakers) shall be assigned to Code 886.

FLORIST STORE – 919

Applies to potted plants.
 Employers who [grow]raise, in fields or under glass, flowers to be marketed on a commercial basis as cut flowers or living plants are assigned to Code 0011. Stores or outlets of such employers at the same or contiguous location may be separately classified by Code 919, provided there is no interchange of labor between the store or outlet and the [growing]raising of flowers, and the store or outlet is located in a physically separate area or department.

Where a store..... of the gross receipts.

OPERATIONS NOT COVERED:

1. A garden. Code 0013.

Underwriting Guide**ADDITIONS**

Sod Farm.....	0013
Disposable Towel Mfg.....	259
Towel Mfg. – Disposable.....	259
Cabinet Mfg. - Sheet Metal.....	456
Centrifuge Mfg., Laboratory.....	473
Lead Paint Removal (From Any Non-Pipe Surface) - By Contractor.....	651
Siding Installation (Aluminum, Vinyl or Wood) – Commercial Structures.....	651
Siding Installation (Aluminum, Vinyl or Wood) – Residential	652
Pavers (Decorative Brick Or Stone) Installation.....	653
Bridge Painting.....	655
Oil Field Tank Painting.....	655
Steel Structures Painting.....	655
Lead Paint Removal (From A Pipe Surface) - By Contractor.....	663
Water Meter Installation - By Contractor.....	663
Central Air Conditioning Systems Installation, Service Or Repair.....	664
Carriage Tours Or Taxis (Horse Driven).....	801
Horse Driven Carriage Tours Or Taxis.....	801

Pool Table Dealer.....	922
Coin Operated Telephone – Installation, Service Or Repair By A Specialist Business Or Contractor.....	933
Telephone – Coin Operated – Installation, Service Or Repair By A Specialist Business Or Contractor.....	933
Day Spa - Not Affiliated with a Health Club Or Swimming Pool.....	977

CHANGES

Narrow Fabric Mill - Cotton, Wool, Silk [And]Or Man - Made Fibers.....	132
Coating New Fabrics, Except Rubberized Fabrics [And]Or Oilcloth.....	139
Coating New Fabrics, Rubberized [And]Or Oilcloth.....	227
Coating And/Or Glazing <u>Of Paper Or Plastic</u> - By Specialist Contractor.....	263
Chain Mfg.....	[439]435
Needle, Pin, Hook [And]Or Eye Mfg.....	459
Optical Instrument [And]Or Lens Mfg.....	487
Grouting – <u>Including Drilling</u> – Placing Of Cement [Or], Plastic Compounds <u>Or</u> , Concrete Or Pumping of Fly Ash.....	654
Painting [Painting] Of: Bridges, Oil Field Tanks, Steel Structures <u>Or</u> Tanks.....	655
Air Conditioning (<u>Central</u>) Systems Installation, [Non-Portable] Repair Or Service [- Cleaning, Oiling Or Adjusting].....	664
Duct Fabrication And/Or Installation - Heating, Ventilating Or Air Conditioning.....	664
Refrigeration Or [Non-Portable] <u>Central</u> Air Conditioning Units Installation <u>Or Service</u>	664
Neon Sign Mfg., Installation [And]Or Repair.....	673
Conveyor <u>Or</u> Conveyor Belt Installation [In Mines, By Contractor], By Contractor.....	675
Dismantling, [Or] Installation <u>Or Service Or Repair</u> Of Machinery [And] <u>Or</u> Industrial Equipment, By Contractor.....	675
Machine Belting Installation [And]Or Repair.....	675
Machinery [And]Or Industrial Equipment Installation, <u>Service Or Repair</u> Or Dismantling, By Contractor.....	675
Towel Or Toilet Supply Dealer - Not Connected With Laundry.....	[924]916
Electrical Machinery[,] Or Equipment [Or Supply] Dealer - Wholesale.....	926
Barber Or Beauty Parlor Supply House – <u>Operates in a Retail Manner</u> [Or Wholesale – No Delivery By Employees].....	928
Automatic Teller Machine (ATM) – Installation, <u>Service</u> Or Repair.....	[675]933
Oil Field Machinery [And]Or Equipment Mfg.....	Classify According to Materials Used

DELETIONS

Grouting – Drilling of Holes.....	607
Ski Lift Erection.....	655

2) CODES 451, AUTOMOBILE, TRUCK OR TRAILER BODY MFG., AND 463, AUTOMOBILE MFG. OR ASSEMBLING

These revisions result from a Bureau study of Codes 451 and 463 undertaken for the purpose of determining whether Code 451 or Code 463 was the more appropriate for employers that fabricate truck bodies and then attach them onto a customer supplied or purchased chassis, if the manufacturing of a non self-propelled vehicle, such as a bicycle, should remain assigned to Code 463 or if another classification would be more appropriate, and if the Underwriting Guide entries for Carriage Mfg. and Wagon Body Mfg. are still useful and, if so, should remain assigned to Code 451. The study results are as follows:

- Although no such employers were identified in Delaware, any future Delaware employers engaged in the fabrication of automobile, truck or trailer bodies and the attachment of those truck bodies onto a customer supplied or purchased chassis will be assigned to Code 451. This insures that any future Delaware employers engaged in this type of operation will be subject to a consistently-applied classification procedure.
- Bicycle Mfg. remains assigned to Code 463.
- The Delaware Manual language is revised by reassigning the separate Underwriting Guide entries Carriage Mfg. and Wagon Body Mfg. from Code 451 to Code 305.

The proposed Manual revisions are shown below with new wording underlined and deleted wording bracketed:

SECTION 2

CHANGES

451 AUTOMOBILE, Truck Or Trailer BODY MFG.

Also includes an employer principally engaged in fabricating an automobile, truck or trailer body and then attaching the fabricated body onto a customer supplied or purchased chassis.

This class is not available for payroll division with Code 463[, Automobile Mfg]. Code 463 shall be assigned to an [insured]employer engaged in both the making of the automobile, truck, or trailer body and chassis and then assembling the complete motor vehicle.

463 AUTOMOBILE MFG. [Or Assembling.]

Code 463 shall be assigned to an employer engaged in both the making of the automobile, truck, or trailer body and chassis and then assembling the complete motor vehicle.

This class is not available for payroll division with Code 451. Code 451 shall be assigned to an employer principally engaged in fabricating an automobile, truck, or trailer body and then attaching the fabricated body onto a customer supplied or purchased chassis.

SECTION 5

Underwriting Guide

ADDITIONS

Bus Body Mfg. - Including Attaching Manufactured Body To A Customer Supplied Or Purchased Chassis.....	451
Fire Truck Body Mfg. - Including Attaching Manufactured Body To A Customer Supplied Or Purchased Chassis.....	451

CHANGES

Ambulance Body Mfg. - <u>Including Attaching Manufactured Body To A Customer Supplied Or Purchased Chassis.....</u>	451
Truck Body Mfg. - <u>Including Attaching Manufactured Body To A Customer Supplied Or Purchased Chassis.....</u>	451
Truck Cab Mfg. - <u>Including Attaching Manufactured Body To A Customer Supplied Or Purchased Chassis.....</u>	451
Automobile Mfg. [Or Assembling].....	463
Automobile Truck Mfg. [Or Assembling].....	463
Forklift Truck Mfg. [Or Assembling].....	463
Carriage Mfg.....	[451]305
Wagon Body Mfg.....	[451]305

3) CODE 860, SCRAP METAL DEALER

These revisions result from a study of Code 860 undertaken to determine if the class's scope was overly broad and indicated the following:

- Code 858, Ferrous Scrap Metal Dealer, has been created for scrap metal dealers principally engaged in collecting and handling ferrous metals .
- Code 859, Nonferrous Scrap Metal Dealer, has been created for scrap metal dealers principally engaged in collecting and handling nonferrous metals.
- Code 860 has been re-titled "Junk Dealer" and revised to include dealers collecting and/or handling a combination of scrap metals and other used materials with no principal line of merchandise.
- The language for Code 402 has been revised to include all employers principally engaged in melting nonferrous scrap metals into ingots or pigs, and the language for Code 862 has been revised to include all employers principally engaged in collecting and/or handling of recyclable materials other than scrap metals.

The proposed Manual revisions are shown below with new wording underlined and deleted wording bracketed:

SECTION 2**ADDITIONS****858 FERROUS SCRAP METAL DEALER.**

Applicable to businesses principally engaged in collecting and handling ferrous metals. Ferrous metals contain iron and include any type of steel or any steel alloy such as stainless steel.

The term "principally engaged" means more than 50 percent of the employer's gross receipts.

859 NONFERROUS SCRAP METAL DEALER.

Applicable to businesses principally engaged in collecting and handling nonferrous metals. Nonferrous metals contain no iron and include but are not limited to: aluminum, copper, brass, lead or zinc.

The term "principally engaged" means more than 50 percent of the employer's gross receipts.

Businesses principally engaged in the melting of nonferrous scrap to produce ingots shall be assigned to Code 402.

HAZARD GROUPS

<u>Code</u>	<u>Group</u>
858	III
859	III

CHANGES**402 SMELTING of nonferrous metals OR hot-dip GALVANIZING.**

Also includes employers principally engaged in melting nonferrous scrap metal to produce ingots.

Not available for [risks]businesses principally engaged in the handling of any ferrous scrap metals [nor to smelters whose principle business consists of dealing in non-ferrous scrap metals]. Such [risks]businesses must be assigned to [Class]Code [860]858[, Scrap Metal Dealer].

Galvanizing by.....the process.

**WRECKING OR DEMOLITION OR BUILDING
MOVING OR RAISING PROJECT**

All work to completion at a wrecking or demolition of a building moving or raising site shall be assigned to one of the following classifications:

1. Code 651[, Carpentry-N.O.C.]-Applicable to wooden buildings or structures including those designed for dwelling occupancy and interior stripping /gutting.
2. Code 654[, Concrete Construction]-Applicable to concrete or concrete encased building or structures.
3. Code 655[, Iron Erection]-Applicable to iron or steel building or structures.
4. Code 653[, Masonry]-Applicable to masonry buildings or structures.
5. Code 611[, Pile Driving]-Applicable to piers or wharfs.

Where wrecking..... classification is applicable.

Secondhand material yards at a separate location with no interchange of employees shall be assigned to the appropriate scrap classification based on the materials principally handled by the employer. Assign ferrous scrap dealers to Code 858 and assign nonferrous scrap dealers to Code 859. For employers that do not principally handle any used/scrap materials assign Code 860[, Scrap Metal Dealer].

857 METAL SERVICE CENTER (Ferrous or Nonferrous Metals).

Inapplicable to [ferrous or nonferrous scrap metal dealers which are assignable to Code 860]businesses principally engaged in collecting or handling scrap metals. Assign ferrous scrap dealers to Code 858. Assign nonferrous scrap dealers to Code 859.

860 [SCRAP METAL DEALER, Shop and Outside, including smelting or refining of soft metal scrap]JUNK DEALER.

For businesses collecting and handling a combination of ferrous and/or nonferrous scrap metal and other secondhand commodities (e.g., paper, glass, rubber, rags or bottles) with no principal line of merchandise.

Also includes..... Section 2.

861 AUTOMOBILE DISMANTLERS.

[Risks]Businesses engaged in automobile dismantling for the recovery of usable parts must be assigned to this classification. It includes all stores, yards or shops operated at the same or contiguous locations. It does not include [risks]businesses who demolish automobiles solely for the purpose of obtaining scrap metal; such [risks]businesses must be assigned to [Class 860, Scrap Metal Dealer]the applicable scrap metal classification based on the principal type of scrap metals.

862 RECYCLING CENTER.

[Includes the collecting, sorting, packaging, and shipping of recyclable material such as cloth clippings, wiping rags, paper, glass, plastic, rubber stock or beverage cans. The collecting or handling of building materials or metals other than beverage cans shall be classified by Code 860.]Applicable to businesses principally engaged in collecting or handling recyclable materials such as: cloth clippings, rags, paper, glass, plastic, rubber stock and/or aluminum beverage cans. Assign businesses collecting a combination of recyclable products and scrap metals with no principal line of merchandise to Code 860.

Dealers in cloth clippings, new goods only, shall be assigned to Code 924[, Wholesale Store, N.O.C].

SECTION 5

Rulings and Interpretations

CHANGES

METAL SERVICE CENTER (FERROUS OR NONFERROUS METAL) - 857.

Applicable to insured..... of the gross receipts.

OPERATIONS NOT COVERED:

Not applicable to [iron, steel or nonferrous scrap metal dealers which are assigned to Code 860] businesses principally engaged in collecting or handling either ferrous or nonferrous scrap metal. Assign ferrous scrap dealers to Code 858. Assign nonferrous scrap dealers to Code 859.

Underwriting Guide

ADDITIONS

Scrap Metal Dealer-Ferrous Metals.....	858
Steel And Steel Alloy Scrap Dealer (Including Stainless Steel).....	858
Scrap Metal Dealer-Nonferrous Metals.....	859
Aluminum Scrap Metal Dealers (Other Than Beverage Cans).....	859
Copper Scrap Dealer.....	859
Brass Scrap Dealer.....	859
Lead Scrap Dealer.....	859
Second Hand/Used Material Dealer (Including Scrap Metals).....	860
Second Hand Building Material Dealer.....	860
Melting Of Nonferrous Scrap Metals.....	402

CHANGE

Iron or Steel Scrap Dealer..... ~~[860]~~858

DELETIONS

Metal Scrap Dealer, Including Baling.....	860
Salvage Material Dealer.....	860
Smelting Of Soft Scrap Metal By Scrap Metal Dealer.....	860
Scrap Metal Dealer.....	860
Refining of Soft Metal Scrap.....	860
Recycling Center-No Collecting Or Handling Of Building Materials Or Metals (Except Beverage Cans).....	862

4) CODES 660, ALARM OR SOUND SYSTEM, INSTALLATION OR REPAIR, AND 662, HOUSEHOLD APPLIANCES, SERVICE OR REPAIR

These revisions result from a class study that disclosed that Code 660 is properly structured with no need to revise its scope. To establish a consistent classification procedure for businesses principally engaged in the service or repair of commercial appliances, the following revisions to Code 662 are being implemented:

- The current language for Code 662 has been revised to specifically include commercial appliance service/repair firms (i.e., “Commercial Appliance – Electrical Service or Repair”).
- “Tower erection” (regarding operations to be separately rated) has been deleted from the Code 662 Section 2 class description.
- Code 662 Section 2 language has been amended to add “plumbing” to the operations to be separately rated.
- Several Underwriting Guide entries have been added to Code 675, Machinery or Equipment Erection or Repair, in Section 5 Manual language to clarify the scope of this classification.
- Any commercial appliance repair/service firms that were assigned to Code 661 have been reassigned to Code 662

The proposed Manual revisions are shown below with new wording underlined and deleted wording bracketed:

SECTION 2

CHANGE

662 [HOUSEHOLD] APPLIANCE[S] – Electrical – SERVICE or REPAIR.

Includes [but not necessarily limited to]the service or repair of window unit type air conditioners, domestic refrigerators[,] and/or commercial or domestic appliances including but not necessarily limited to: stoves, dishwashers, washing machines or clothes dryers. Also includes incidental shop or parts department employees. Electrical wiring or [tower erection]plumbing to be separately rated.

Separately staffed store operations shall be assigned to the appropriate store class. Assign Code 664 to the installation, service or repair of central air conditioning units or commercial refrigeration (including walk-in) units. Assign Code 675 to the installation, service or repair of industrial equipment (e.g., conveyor ovens).

SECTION 5
Underwriting Guide

ADDITIONS

Laundry Equipment Installation, Service or Repair – Industrial.....	675
Conveyor Oven Installation, Service or Repair.....	675
Oven (Conveyor) Installation, Service or Repair.....	675

CHANGES

Appliances, Major Household[,] <u> Or Commercial</u> , Electrical <u>Or Gas</u> - Service Or Repair.....	662
Dryers, Household[,] <u> Or Commercial</u> Electrical or Gas -Service or Repair.....	662
Electrical <u>Or Gas</u> Household Major <u>Or Commercial</u> Appliances - Service Or Repair.....	662
Household Major <u>Or Commercial</u> Appliances, Electrical Or Gas – Service Or Repair.....	662
Refrigerator, [Stove, Washing Machine] <u>Household</u> - Service Or Repair	662
Stoves, Household[,] <u> Or Commercial</u> , Electric Or Gas - Service Or Repair.....	662
Washing Machines, <u>Household Or Commercial</u> Electrical - Service Or Repair.....	662

Manual reprints will be forthcoming in the usual manner.

Timothy L. Wisecarver
President

TLW/kg
Attachment
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