

BEFORE THE CLASSIFICATION REVIEW COMMITTEE

In the matter of the amendment of)	NOTICE OF PUBLIC HEARING ON
ARM 6.6.8301 and 6.6.8401)	PROPOSED AMENDMENT
pertaining to establishment or)	
revision of classifications for various)	
industries for supplementing the)	
NCCI Basic Manual and updates to)	
the public participation guidelines)	

TO: All Concerned Persons

1. On September 11, 2017, at 1:00 p.m., the Classification Review Committee will hold a public hearing in the 2nd floor conference room, at the Office of the Montana State Auditor, Commissioner of Securities and Insurance, 840 Helena Ave., Helena, Montana, to consider the proposed amendment of the above-stated rules.

2. The Classification Review Committee will make reasonable accommodations for persons with disabilities who wish to participate in this rulemaking process or need an alternative accessible format of this notice. If you require an accommodation, contact us no later than 5:00 p.m. on September 6, 2017 to advise us of the nature of the accommodation that you need. Please contact Ramona Bidon or Lisa Monroe, CSI, 840 Helena Avenue, Helena, Montana, 59601; telephone (406) 444-2726; (406) 444-1942; TDD (406) 444-3246; fax (406) 444-3499; or e-mail rbidon@mt.gov or lmonroe@mt.gov.

3. The rules as proposed to be amended provide as follows, new matter underlined, deleted matter interlined:

6.6.8301 ESTABLISHMENT OF CLASSIFICATION FOR COMPENSATION PLAN NO. 2 AND PLAN NO. 3 (1) The committee adopts and incorporates by reference the NCCI Basic Manual for Workers Compensation and Employers Liability Insurance, 2001, ed., as supplemented, including through October 16, 2006 ~~classifications established or revised in accordance with (2) below and 33-16-1023(3), MCA,~~ which establishes classifications with respect to employers electing to be bound by compensation plan No. 2 and plan No. 3 as provided in Title 39, chapter 71, part 22, and part 23, MCA. A copy of the Basic Manual for Workers Compensation and Employers Liability Insurance is available for public inspection at the Office of the Commissioner of Insurance, 840 Helena Ave., Helena, MT 59601. Copies of the Basic Manual for Workers Compensation and Employers Liability Insurance may be obtained by writing to the Montana Classification Review Committee in care of the National Council on Compensation Insurance, Inc., ~~40920 W. Glennon Dr., Lakewood, Colorado 80226~~ c/o Regulatory Assurance Department, 901 Peninsula Corporate Circle, Boca Raton FL 33487-1362. Persons obtaining a copy of the Basic Manual for Workers Compensation and Employers Liability Insurance must pay the committee's cost of providing such copies.

(2) remains the same.

AUTH: 33-16-1012, MCA

IMP: 2-4-103, 33-1-115, 33-16-1012, MCA

REASON: The reasonable necessity for this rule amendment is to address the following:

To incorporate changes to law from SB 123 passed in the 2015 legislative session. SB 123 addressed the regulation of Plan No. 3 (Montana State Fund) under the Commissioner of Insurance and Title 33, MCA, per 33-1-115, MCA, effective January 1, 2016. Plan No. 3 therefore needs to be included in the caption and body of the rule.

The National Council of Compensation Insurance, Inc., (NCCI) has moved the location of the office supporting the Classification Review Committee (CR Committee) and this amendment will update the address.

To supplement the NCCI Basic Manual for Workers' Compensation and Employers Liability Insurance (Basic Manual) through the establishment and revision of classifications for various industries by the CR Committee. The classifications are utilized for Workers' Compensation Insurance. The CR Committee established in 33-16-1011 and 33-16-1012, MCA is responsible for the establishment and revision of classifications in accordance with Title 2, chapter 4, part 3, MCA, Adoption and Publication of Rules.

The purpose of the proposed amendment is to supplement the Basic Manual to include the establishment and revision of classifications approved by the CR Committee since the last rulemaking which occurred in 2008. The CR Committee met on June 14, 2017, approved ratification of the classification filings from 2010 through 2016, items 1-19, and agreed to proceed to rulemaking. See filing at: http://csimt.gov/wp-content/uploads/Classification-Review-Committee_Document1_2.pdf.

The CR Committee also approved proceeding to rulemaking for supplementing the Basic Manual with Item Filing B 1431- Revisions to Basic Manual Classifications and Appendix E—Classifications by Hazard Group and Item Filing B-1435—Revisions to Basic Manual Classifications and Appendix E—Classifications by Hazard Group, Including Trucking and Towing, below. These two Item Filings are to be effective July 1, 2018. See filings at: http://csimt.gov/wp-content/uploads/Classification-Review-Committee_Document1_2.pdf.

6.6.8401 PUBLIC PARTICIPATION GUIDELINES (1) through (5) remain the same.

(6) Committee files, other than personnel files and those files required by law or requirements of individual privacy to remain confidential, are open to public inspection. These files are located at the office of the National ~~Committee~~ Council on

~~Compensation Insurance, Inc. (NCCI), 7220 West Jefferson Avenue, Suite 310, Lakewood, Colorado 80235 c/o Regulatory Assurance Department, 901 Peninsula Corporate Circle, Boca Raton, FL 33487-1362. Copies of committee files are located at the Office of the Commissioner of Insurance, Room 270, Sam W. Mitchell Building, P.O. Box 4009, Helena, MT 59604-4009. Documents and information on the Classification Review Committee actions are available at the Office of the Commissioner of Insurance, 840 Helena Avenue, Helena, MT 59601, or on www.csi.mt.gov. Copies of specific documents are available from the National Committee on Compensation Insurance NCCI or the Office of the Commissioner of Insurance either free or for a reasonable copying charge.~~

(7) and (8) remain the same.

AUTH: 33-16-1012, MCA

IMP: 2-3-103, MCA

REASON: The reasonable necessity for amending this rule is to correct the reference to the National Council on Compensation Insurance, Inc (NCCI) and update the change in address of the NCCI files location. It is also necessary to update the change in address of the Office of the Commissioner of Insurance (CSI), clarify the nature of materials available at CSI, and include the CSI website address.

4. Concerned persons may submit their data, views, or arguments either orally or in writing at the hearing. Written data, views, or arguments may also be submitted to the CR Committee attention of: Michael Craddock, Underwriting Dispute Consultant, NCCI, c/o Regulatory Assurance Department, 901 Peninsula Corporate Circle, Boca Raton FL 33487-1362; telephone (561) 893-3820; fax (561) 893-5365; or e-mail Michael_Craddock@NCCI.com, and must be received no later than 5:00 p.m. MST, September 22, 2017.

5. Brett Olin, State Auditor's Office, has been designated to preside over and conduct this hearing.

6. The Classification Review Committee maintains a list of interested persons who wish to receive notices of rulemaking actions proposed by this committee. Persons who wish to have their name added to the list shall make a written request that includes the name, e-mail, and mailing address of the person to receive notices and specifies for which program the person wishes to receive notices. Notices will be sent by e-mail unless a mailing preference is noted in the request. Such written request may be mailed or delivered to the contact person in 4 above or may be made by completing a request form at any rules hearing held by the committee.

7. The bill sponsor contact requirements of 2-4-302, MCA, apply and have been fulfilled. The primary bill sponsor was contacted by email and telephone on August 1, 2017.

8. With regard to the requirements of 2-4-111, MCA, the department has determined that the amendment of the above-referenced rules will not significantly and directly impact small businesses.

/s/ Brett Olin
Brett Olin
Rule Reviewer

/s/ Greg Roadifer
Greg Roadifer
Committee Chair

Certified to the Secretary of State August 7, 2017.