

BEFORE THE CLASSIFICATION REVIEW COMMITTEE

In the matter of the amendment of)	NOTICE OF PUBLIC HEARING ON
ARM 6.6.8301 pertaining to)	PROPOSED AMENDMENT
establishment, deletion, or revision of)	
classifications for various industries)	
for supplementing the NCCI Basic)	
Manual for Workers' Compensation)	
and Employers Liability)	

TO: All Concerned Persons

1. On October 3, 2018, 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 Avenue, Helena, Montana, to consider the proposed amendment of the above-stated rule.

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 the Classification Review Committee no later than 5:00 p.m. on September 18, 2018, to advise us of the nature of the accommodation that you need. Please contact Ramona Bidon, CSI, 840 Helena Avenue, Helena, Montana, 59601; telephone (406) 444-2726; TDD (406) 444-3246; fax (406) 444-3499; or e-mail rbidon@mt.gov.

3. The rule shown below was recently amended, and no changes will be made to the rule. However, the Basic Manual for Workers' Compensation and Employers Liability (Basic Manual) incorporated by reference in this rule is supplemented by classification codes that are established, deleted, or revised in accordance with (2) of the rule and 33-16-1023(3), MCA.

6.6.8301 ESTABLISHMENT OF CLASSIFICATION FOR COMPENSATION PLAN NO.2 AND PLAN NO.3 (1) and (2) remain the same.

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

REASON: It is necessary to supplement the NCCI Basic Manual incorporated by reference in ARM 6.6.8301, by establishing, deleting, or revising classification codes in the Basic Manual that apply to various industries through rulemaking procedures. The Classification Review Committee approved proceeding to rulemaking to supplement the Basic Manual with Item Filing B-1436- Revisions to Basic Manual Classifications and Appendix E—Classifications by Hazard Group, proposed to be effective July 1, 2019.

For additional details, see the classifications to be established, deleted or revised below and see the filing at: (https://csimt.gov/wp-content/uploads/B-1436-for-MT-Committee_.pdf)

Retirement Living Centers and Nursing Homes

- Elimination of Code 8825—Retirement Living Centers—Food Service Employees; these employees will be classified to Code 8826—Retirement, Care, Nursing, and Convalescent Centers—All Other Employees, Salespersons & Drivers. Code 8826 will be redefined to include all employees of RLCs and nursing homes, other than healthcare and clerical employees.

Unmanned Aircraft System or Drone Aircraft

- Drones weighing less than 55 pounds (including attached systems, payload, and cargo) will be assigned to the basic classification applicable to the overall business of the employer as a general inclusion.
 - Employers that provide drone piloting services to other businesses will be assigned to a new phraseology Code 8720—Unmanned Aircraft System or Drone Aircraft Operations NOC—Aircraft Weighing Less Than 55 Pounds.
- For drones weighing 55 pounds or more (including attached systems, payload, and cargo), classification assignment will be considered a general exclusion and separately rated to the appropriate aviation classification.

For drone aircraft manufacture, service, or repair, NCCI is proposing the following classification treatment

- Code 3685—Unmanned Aircraft System or Drone Aircraft Mfg., Service, or Repair—Aircraft Weighing Less Than 55 Pounds
- Code 3830—Unmanned Aircraft System or Drone Aircraft Mfg., Service, or Repair—Aircraft Weighing 55 Pounds or More

Automobile Body Repair and Mechanical Repair

NCCI proposes to allow Codes 8380 and 8393 to be assigned to a single business operation. Additionally, further clarification is needed for the assignment of service writers and estimators for these businesses. These proposals will allow Codes 8380 and 8393 to be assigned to the same business, regardless if the operations are conducted as separate and distinct businesses.

Limousine Companies

- Code 7370—Limousine Co.—All Other Employees & Drivers—Nonscheduled.
- Code 7382-Limousine Co.-All Other Employees & Drivers -Scheduled

NCCI proposes to remove nonscheduled limousine operations from Code 7370 - All limousine operations will be assigned to Code 7382, regardless of whether they are scheduled or nonscheduled.

NCCI also proposes to add references to Codes 7370 and 7382 to clarify the current national treatment that garage employees are to be separately rated to Code 8385—Limousine Co.—Garage Employees.

Photography and Document Scanning

- Revise the phraseology Code 4361—Photographer—All Employees & Clerical, Salespersons, Drivers to include photo developing or printing whether from film or digital media.
- Establish phraseology Code 8015—Document-Scanning Operations—All Employees & Clerical, Salespersons, Drivers—Applies to document-scanning operations for customers performed at the employer's or customer's location. Includes document storage and shredding operations performed at the employer's location only. Document shredding performed at the customer's location, including the bailing and transportation of those shredded documents, to be separately rated to Code 8264.
- Establish phraseology Code 8264—Document-Shredding Operations & Drivers—Applies to employers in the business of document-shredding only. Includes shredding at the employer's or customer's location, including the bailing and transportation of those shredded documents. Also includes all shredding at the customer's location when performed as part of a document-scanning operation.
- Revise the note of Code 8015—Quick Printing—Copying or Duplicating Service—All Employees & Clerical, Salespersons, Drivers to use plain language.
- Revise the notes of the following codes for plain language purposes and to replace the word "services" with "surfaces":
 - Code 4299—Sign Manufacturing—Plastic or Vinyl Computer-Generated Letters or Graphics—No Painting or Using Power Machinery
 - Code 9501—Sign Manufacturing—Plastic or Vinyl Computer-Generated Letters or Graphics—Painting or Using Power Machinery & Drivers

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, October 11, 2018.

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 do not apply.

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

/s/ Brett Olin
Brett Olin
Rule Reviewer

/s/ Greg Rodifer
Greg Rodifer
Committee Chair

Certified to the Secretary of State August 28, 2018.