

No. **2022-7611**

**Official Order
of the
Texas Commissioner of Insurance**

Date: 11/10/2022

Subject considered:

**National Council on Compensation Insurance Filing
*Item 01-TX-2022—Revisions to Basic Manual for Texas for Classifications and
Table of Classifications by Hazard Group***

The subject of this order is the adoption of amendments to the National Council on Compensation Insurance (NCCI) manuals, as proposed in *Item 01-TX-2022—Revisions to Basic Manual for Texas for Classifications and Table of Classifications by Hazard Group* (TDI ECase No. 30251; SERFF Tracking No. NCCI-133349086).

Background

NCCI filed *Item 01-TX-2022* to amend the NCCI *Basic Manual for Workers Compensation and Employers Liability Insurance* for Texas (Basic Manual for Texas).

The workers' compensation classification system groups employers with similar operations by classification so that loss costs and rates may be calculated to reflect overall employee exposure to injury. NCCI performed an analysis of Texas classifications to determine where it is appropriate for Texas to align with the multistate classifications.

This filing eliminates specified Texas classifications and phraseologies and replaces them with the multistate classifications. These changes will provide classification uniformity to better align exposure to pricing within an individual class code.

After considering the filing, the Texas Department of Insurance (TDI) adopts the following findings of fact and conclusions of law.

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Findings of Fact

1. NCCI filed *Item 01-TX-2022* with TDI on July 29, 2022, under the filing procedure adopted in Commissioner's Order No. 3142, dated March 21, 2014.
2. *Item 01-TX-2022* amends the Basic Manual for Texas by making the following changes:
 - a. Eliminates Texas code 6823 Aluminum Boat Mfg.—Pleasure Craft and replaces it with multistate code 6834 Boatbuilding or Repair & Drivers—Coverage Under State Act Only.
 - b. Eliminates the following Texas codes and replaces them with the multistate codes with the same number. This may include changes to the phraseologies in some cases but does not change how risks are classified.
 - i. 6824F Boat Building or Repair NOC & Drivers
 - ii. 6872F Barge Cleaning & Drivers
 - iii. 6874F Ship Scaling
 - iv. 7309F Stevedoring—NOC
 - v. 7313F Stevedoring—Ore Dock Operation
 - vi. 7317F Barge Loading by Contract—No Use of Hoisting Equipment
 - vii. 7327F Stevedoring—Containerized Freight & Drivers
 - viii. 7350F Freight Handler NOC—Coverage Under USL&HW Act
 - ix. 8709F Inspectors, Samplers, or Weighers of Merchandise on Vessels or Docks or Railway Stations or Warehouses—Coverage Under USL&HW Act
 - x. 8726F Steamship Line or Agency—Port Employees—Superintendents, Captains, Engineers, Stewards or Their Assistants, Pay Clerks Talliers, Checking Clerks, and Employees Engaged in Mending or Repacking of Damaged Containers
 - xi. 0079 Farm—Berry or Vineyard & Drivers
 - xii. 2121 Brewery & Drivers
 - xiii. 2503 Tailoring or Dressmaking—Custom Exclusively
 - xiv. 3807 Automobile Radiator Mfg.
 - xv. 4244 Box Mfg.—Corrugated

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- xvi. 4653 Glue Mfg. & Drivers
 - xvii. 8293 Household Goods—Packing & Drivers
 - xviii. 9182 Athletic Park Operation & Drivers
 - xix. 9586 Barber Shop
- c. Revises the table of classifications by hazard group to:
- i. reflect the replacement of Texas code 6823 with multistate code 6834, and
 - ii. revise the hazard group assignment of code 8726 from group F to group E to align with the multistate hazard group assignment.
3. NCCI proposed that the changes in *Item 01-TX-2022* apply to new and renewal policies that are effective on or after 12:01 a.m. on July 1, 2023.
4. *Item 01-TX-2022* has been available for public inspection in SERFF and at TDI since the filing date.
5. The filing, including exhibits, is incorporated by reference into this order.
6. On September 12, 2022, TDI published notice of the filing on the TDI website at www.tdi.texas.gov/rules/2022/nccimannual.html and distributed notice of the filing to electronic news subscribers.
7. TDI received no written comments on the filing or hearing requests by the October 12, 2022, deadline.

Conclusions of Law

- 1. TDI has jurisdiction over this matter under Insurance Code Article 5.96 and §§ 2051.002, 2051.201, 2053.002, 2053.011, 2053.051, and 2053.052.
- 2. TDI gave notice in compliance with Commissioner's Order No. 3142.
- 3. The amendments to the Basic Manual for Texas are consistent with Insurance Code Article 5.96 and Chapters 2051 and 2053.

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4. Applying the changes in *Item 01-TX-2022* to new and renewal policies that are effective on or after 12:01 a.m. on July 1, 2023, is reasonable.

Order

It is ordered that NCCI's filing, *Item NCCI 01-TX-2022—Revisions to Basic Manual for Texas for Classifications and Table of Classifications by Hazard Group*, is approved. The changes in *Item 01-TX-2022* apply to new and renewal policies that are effective on or after 12:01 a.m. on July 1, 2023.

DocuSigned by:

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Cassie Brown
Commissioner of Insurance

Recommended and reviewed by:

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Mark Worman, Deputy Commissioner

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Allison Eberhart, Deputy General Counsel