



Minnesota Workers' Compensation
Insurers Association, Inc.
7701 France Avenue South ▪ Suite 450
Minneapolis, MN 55435-3200

June 20, 2000

To: ALL ASSOCIATION MEMBERS

Circular Letter No. 00-1344

RE: NCCI ITEM B-1363 — Codes 7403, 7405, 7423, & 7431 – Air Carrier Classification – Amended Phraseologies

The Minnesota Department of Commerce has approved the above filing to be effective 12:01 a.m., July 1, 2000, applicable to new and renewal business only.

The purpose of the above numbered filing is to amend selected classification phraseologies in the *Basic Manual* to reflect changes in the Federal Aviation Regulations (F.A.R.). Previously all aircraft operated by air carriers with seating for 30 or fewer passengers were subject to F.A.R. 135. Due to changes in these regulations, many of those aircraft are now subject to the more stringent safety rules found in F.A.R. 121. Since the classification approach for the aircraft industry tracks the applicable federal aviation regulations, it is necessary to amend the affected classifications to keep them in line with their original intent.

The attached exhibit illustrates the changes to the *Basic Manual* necessary to implement the amended phraseologies affecting the footnotes of Codes 7403, 7405, 7423, and 7431. Association staff anticipates that this filing will have no impact on current premium levels in Minnesota. Please note that the proposed language on the exhibit pages contains underlined and strikethrough text. The underlining represents new or added text while the strikethroughs indicate deleted text.

Please direct any questions you may have concerning this item to one of our underwriters at 952.897.1737, or by emailing our office at underwriting@mwcia.org.

Very truly yours,

M. A. Johnson
Director of Underwriting Services

A NOTICE TO MEMBERSHIP:

The Minnesota Department of Commerce requests that MWCIA remind its members that the above filing only applies automatically to insurance companies who have filed a Limited Power of Attorney agreement with our Commerce Department. A properly executed Limited Power of Attorney authorizes MWCIA to make filings on behalf of individual insurance companies. Any insurance company who has not filed a Limited Power of Attorney must independently submit the changes represented in each filing item to the Minnesota Department of Commerce for their approval.

EXHIBIT I
BASIC MANUAL
CLASSIFICATIONS

PRESENT PHRASEOLOGY:	PROPOSED PHRASEOLOGY:
AIR CARRIER^{3/4} COMMUTER. Applies to commuter air carriers operating under Part 127 or Part 135 of the Federal Aviation Regulations, and which conduct at least five round trips per week between two or more points and publish flight schedules that specify the times and days of the week and places between which such flights are performed. Ticket sellers and information clerks away from airport locations to be separately rated as Code 8810—Clerical.	AIR CARRIER^{3/4} COMMUTER. Applies to commuter air carriers operating under <u>Part 121</u> , Part 127 or Part 135 of the Federal Aviation Regulations, <u>that use aircraft seating 30 or fewer passengers or payloads less than 7,500 pounds</u> and which conduct at least five round trips per week between two or more points and publish flight schedules that specify the times and days of the week and places between which such flights are performed. Ticket sellers and information clerks away from airport locations to be separately rated as Code 8810—Clerical.
FLYING CREW.....7431 Code 7453 shall be assigned in conjunction with this code to reflect the nonratable catastrophe loading. Premium generated by Code 7453 is not subject to experience rating or retrospective rating.	FLYING CREW.....7431 Code 7453 shall be assigned in conjunction with this code to reflect the nonratable catastrophe loading. Premium generated by Code 7453 is not subject to experience rating or retrospective rating.
ALL OTHER EMPLOYEES & DRIVERS.....7423	ALL OTHER EMPLOYEES & DRIVERS.....7423
AIR CARRIER^{3/4} SCHEDULED OR SUPPLEMENTAL. Applies to scheduled or commercial air carriers, including cargo carriers, certificated as such and operating under Part 121 of the Federal Aviation Regulations. Ticket sellers and information clerks away from airport locations to be separately rated as Code 8810—Clerical.	AIR CARRIER^{3/4} SCHEDULED OR SUPPLEMENTAL. Applies to scheduled or commercial air carriers, including cargo carriers, certificated as such <u>that conduct operations</u> under Part 121 of the Federal Aviation Regulations <u>and use aircraft that are capable of handling more than 30 passengers and/or a payload of 7,500 pound or more.</u> Ticket sellers and information clerks away from airport locations to be separately rated as Code 8810—Clerical.
FLYING CREW.....7405 Code 7445 shall be assigned in conjunction with this code to reflect the nonratable catastrophe loading. Premium generated by Code 7445 is not subject to experience rating or retrospective rating.	FLYING CREW.....7405 Code 7445 shall be assigned in conjunction with this code to reflect the nonratable catastrophe loading. Premium generated by Code 7445 is not subject to experience rating or retrospective rating.
ALL OTHER EMPLOYEES & DRIVERS.....7403	ALL OTHER EMPLOYEES & DRIVERS.....7403