# Delaware Compensation Rating Bureau, Inc.



30 South 17th Street • Suite 1500 Philadelphia, PA 19103-4007 (302) 654-1435 (215) 568-2371 FAX (215) 564-4328 www.dcrb.com

September 18, 2020

## **DCRB CIRCULAR NO. D983**

To All Members of the DCRB:

Re: <u>APPROVAL OF DCRB FILING NO. 2004</u>

<u>BASIC MANUAL REVISIONS – SECTION 2</u>

<u>CODE 657, RIGGING, N.O.C.</u>

<u>EFFECTIVE DECEMBER 1, 2020</u>

The Delaware Insurance Commissioner (Commissioner) has approved the DCRB's proposal to revise Basic Manual language relating to Classification Code 657, Rigging, N.O.C., for policies effective on or after 12:01 a.m., December 1. 2020. The effective date of this change is concurrent with the DCRB's annual comprehensive loss cost value and residual market rate revision, which was filed by the DCRB with the Insurance Department on August 21, 2020. This coordination will consolidate necessary changes that our members and other constituents must make to policies, forms and systems. These revisions are intended to assist in the administration of Code 657 but do not revise the scope of this or any other classification or impact any classification's DCRB loss cost value or residual market rate.

Code 657 is applied to an employer engaged in contract rigging work. Rigging, as the term is used in the construction and material handling industries, is a process used to secure materials to be moved by lifting equipment including but not necessarily limited to cranes, hoists and block and tackle. Block and tackle (sometimes referred to only as tackle) refers to a system of two or more pulleys with a rope or cable threaded between them that is used to lift heavy loads. The pulleys are assembled to form blocks and then blocks are paired so that one is fixed and one moves with the load. Code 657 may be applied to a contractor that is securing the load, is both securing and lifting the load, or is securing, lifting and moving the load to another location.

The DCRB's Classification Department staff has found, through standard employer classification reviews and telephone conversations with various constituents, that there has been some confusion regarding the scope of Code 657. Staff therefore initiated a study of Code 657 with the objectives of identifying the types of employers presently classified to Code 657 and determining if any (or all) of the Code 657 employer groups identified should be reclassified from Code 657 to some other, existing classification. Pursuant to a file by file review of employers classified to Code 657 and historical experience comparisons, staff concluded that no Code 657 employer groups should be reclassified from Code 657 to any other existing classification and that the overall scope of Code 657 is sound. DCRB Filing No. 2004 did propose revised Basic Manual language that is intended to improve the clarification and definition on the scope of Code 657.

Please refer to Filing No. 2004 for additional information on the revisions discussed above. Please contact Robert Ferrante, Senior Classification Analyst – Technical Services, at (215) 320-4584 or at rferrante@dcrb.com for any questions regarding this circular. The Basic Manual will be updated on the DCRB's website at a later date.

William V. Taylor President

Approved Effective December 1, 2020

## **INFORMATION PAGE** remains unchanged.

**PREFACE** remains unchanged.

#### **SECTION 1 – UNDERWRITING RULES** remains unchanged.

#### **SECTION 2 - CLASSIFICATIONS**

RATING VALUES through DEFINITIONS remains unchanged.

No change to Classification Code 005 – TREE PRUNING, SPRAYING, REPAIRING OR FUMIGATING through Classification Code 656 – ELECTRIC OR TELEPHONE LINE CONSTRUCTION BY CONTRACTORS.

#### 657 RIGGING, N.O.C. - BY CONTRACTOR

Applies to an employer providing rigging services to unrelated concerns on a contract basis. Rigging is a process used to secure materials that are to be moved by lifting equipment such as cranes, hoists, and block and tackle. A rigging contractor may be limited to securing the load, may both secure and lift the load, or may secure, lift and move the load to another location.

#### **OPERATIONS ALSO INCLUDED:**

- 1. The disassembly, reassembly and setting and securing in place (e.g., bolting) of the item being rigged when performed by the rigging contractor to facilitate the rigging job.
- 2. The over the road transportation of the item being rigged, typically via the use of heavy or wide load trucks, when performed by the rigging contractor
- 3. The operation of a mobile crane or other hoisting/lifting equipment when performed by a rigging contractor in order to move and/or set in place the item being rigged.

## **OPERATIONS NOT INCLUDED:**

- Separately rate installation work as provided for in this Manual. Installation includes but is not necessarily limited to the running and connecting of new plumbing, electrical or mechanical lines and related work. The disassembly, reassembly, transportation and setting and securing in place (e.g., bolting) of the item being rigged when performed by the rigging contractor to facilitate the rigging work shall not be construed to be installation.
- 2. Code 657 shall not apply to an employer whose field of business is construction, installation, service or repair and performs rigging work to facilitate the employer's own construction, installation, service or repair work.
- 3. An employer in the business of renting cranes with operators shall be assigned to Code 802.

#### **UNDERWRITING GUIDE**

Bell Installation - Tower Bells

Mobile Crane & Hoisting Operations, By Rigging Contractor
Oil Rig Or Derrick Erecting And Dismantling – By Contractor
Rigging - Non Ship
Safe Moving
Tower Bell Installation

No change to Classification Code 658 – IRON ERECTION OR INSTALLATION – ORNAMENTAL OR NON-STRUCTURAL ONLY through Classification Code 801 – STABLE, LIVESTOCK COMMISSION MERCHANT OR STOCKYARD NOT ASSOCIATED WITH SLAUGHTERHOUSES.

Approved Effective December 1, 2020

#### 802 MOBILE CRANE RENTAL WITH OPERATORS

Remains unchanged.

#### **OPERATIONS NOT INCLUDED:**

- 1. Remains unchanged.
- 2. Assign Code 657 to rigging contractors, including rigging contractors who operate mobile cranes or other lifting/hoisting equipment in order to move and/or set in place the item being rigged.
- 3. Remains unchanged.

#### **UNDERWRITING GUIDE**

Remains unchanged.

No change to Classification Code 803 – TAXICAB COMPANY through Classification Code 809 – FUEL DISTRIBUTION – RETAIL OR WHOLESALE.

## 811 TRUCKING, N.O.C.

Remains unchanged.

#### **OPERATIONS ALSO INCLUDED:**

Remains unchanged.

## **OPERATIONS NOT INCLUDED:**

Items 1. through 5. remain unchanged.

6. Assign Code 657 to rigging contractors, including rigging contractors who perform the over the road transportation of the items being rigged.

#### **UNDERWRITING GUIDE**

Remains unchanged.

No change to Classification Code 812 – MAIL HAULING OR DELIVERY SERVICE COMPANY through Classification Code 9741 – CATASTROPHE (OTHER THAN CERTIFIED ACTS OF TERRORISM)

**GENERAL AUDITING & CLASSIFICATION INFORMATION** remains unchanged.

Approved Effective December 1, 2020

### INFORMATION PAGE remains unchanged.

PREFACE remains unchanged.

#### **SECTION 1 – UNDERWRITING RULES** remains unchanged.

#### **SECTION 2 - CLASSIFICATIONS**

RATING VALUES through DEFINITIONS remains unchanged.

No change to Classification Code 005 – TREE PRUNING, SPRAYING, REPAIRING OR FUMIGATING through Classification Code 656 – ELECTRIC OR TELEPHONE LINE CONSTRUCTION BY CONTRACTORS.

#### 657 RIGGING. N.O.C. – BY CONTRACTOR

Applies to an employer providing rigging services to unrelated concerns on a contract basis. Rigging is a process used to secure materials that are to be moved by lifting equipment such as cranes, hoists, and block and tackle. A rigging contractor may be limited to securing the load, may both secure and lift the load, or may secure, lift and move the load to another location.

#### **OPERATIONS ALSO INCLUDED:**

- The disassembly, reassembly and setting and securing in place (e.g., bolting) of the item being rigged when performed by the rigging contractor to facilitate the rigging job.
- 2. The over the road transportation of the item being rigged, typically via the use of heavy or wide load trucks, when performed by the rigging contractor
- 3. The operation of a mobile crane or other hoisting/lifting equipment when performed by a rigging contractor in order to move and/or set in place the item being rigged.

### **OPERATIONS NOT INCLUDED:**

- Separately rate installation work as provided for in this Manual. Installation includes but is not necessarily limited to the running and connecting of new plumbing, electrical or mechanical lines and related work. The disassembly, reassembly, transportation and setting and securing in place (e.g., bolting) of the item being rigged when performed by the rigging contractor to facilitate the rigging work shall not be construed to be installation.
- Code 657 shall not apply to an employer whose field of business is construction, installation, service or repair and performs rigging work to facilitate the employer's own construction, installation, service or repair work.
- 3. An employer in the business of renting cranes with operators shall be assigned to Code 802.

#### UNDERWRITING GUIDE

Oil Rig Or Derrick Erecting And Dismantling – By Contractor Rigging - Non Ship Safe Moving Tower Bell Installation

### 802 MOBILE CRANE RENTAL WITH OPERATORS

(No change.)

#### **OPERATIONS NOT INCLUDED:**

Approved Effective December 1, 2020

- 1. (No change.)
- 2. Assign Code 657 to rigging contractors ,including rigging contractors who operate mobile cranes or other lifting/hoisting equipment in order to move and/or set in place the item being rigged.
- 3. (No change.)

## **UNDERWRITING GUIDE**

(No change.)

## 811 TRUCKING, N.O.C.

(No change.)

## **OPERATIONS ALSO INCLUDED:**

(No change.)

## **OPERATIONS NOT INCLUDED:**

(No change to Items 1. through 5.)

6. Assign Code 657 to rigging contractors, including rigging contractors who perform the over the road transportation of the items being rigged.

#### **UNDERWRITING GUIDE**

(No change.)

Approved Effective December 1, 2020

## **CLASSIFICATION UNDERWRITING GUIDE**

No change to Abrasive Paper Or Cloth Preparation – Code 255 through Beret Mfg – Code 161	
Bell Installation – Tower Bells	<del>657</del>
change to Belt Mfg Cloth - Wearing Apparel Only - No Buckles, Webbing Or Leather Parts Mfg Code 161 through Mobile Catering - Code 898	
Mobile Crane & Hoisting Operations, By Rigging Contractor	
No change to Mobile Crane Leasing Or Rental With Operators By Specialist Contractor – Code 802 through Towel Supply Service Including Laundering –	
Code 141	
Tower Bell Installation	<u>657</u>
No change to Tower, Transmission, Fabrication – Code 411 through Zoo – Code 969	

**SECTION 3 – ENDORSEMENTS** remain unchanged.

SECTION 4 - RETROSPECTIVE RATING PLANS remains unchanged.

**SECTION 5 – EXPERIENCE RATING PLAN** remains unchanged.

**SECTION 6 – MERIT RATING PLAN** remains unchanged.

Approved Effective December 1, 2020

#### **CLASSIFICATION UNDERWRITING GUIDE**

No change to Abrasive Paper Or Cloth Preparation – Code 255 through Beret Mfg – Code 161

No change to Belt Mfg. - Cloth - Wearing Apparel Only - No Buckles, Webbing Or Leather Parts Mfg. - Code 161 through Mobile Catering - Code 898

No change to Mobile Crane Leasing Or Rental With Operators By Specialist Contractor – Code 802 through Towel Supply Service Including Laundering – Code 141

Tower Bell Installation 657

No change to Tower, Transmission, Fabrication – Code 411 through Zoo – Code 969

**SECTION 3 – ENDORSEMENTS** remain unchanged.

**SECTION 4 – RETROSPECTIVE RATING PLANS** remains unchanged.

SECTION 5 - EXPERIENCE RATING PLAN remains unchanged.

**SECTION 6 – MERIT RATING PLAN** remains unchanged.