



TO: Delaware Classification and Rating Committee

FROM: David T. Rawson - Technical Director, Classification and Field Operations

DATE: June 11, 2007

RE: Corporate Officer Weekly Minimum and Maximum Payrolls to be Audited in Delaware and Weekly Minimum and Maximum Payrolls For Sole Proprietors Or Partners

The Bureau proposes a revision to the corporate officer weekly minimum and maximum payrolls to be audited for premium purposes in Delaware, which are also used as a sole proprietor's or a partner's auditable payroll when the proprietor's or partner's payroll cannot be determined. The corporate officer weekly minimum and maximum auditable payrolls are a function of the statewide average weekly wage rounded to the nearest \$50. The revisions thereto proposed below were calculated using formulas as reviewed and adopted by the Classification and Rating Committee in 1982. The Bureau recommends that the proposed revision to the weekly maximum auditable corporate officer payroll become effective concurrent with the implementation of the 2007 comprehensive residual market rate and voluntary market loss cost revision.

Below find the proposed revisions to the weekly minimum and maximum corporate officer payrolls for Section 1, Rule IX, Paragraph A. 3. c.

SECTION 1

CHANGE

FROM

TO

RULE IX - SPECIAL CONDITIONS OR
OPERATIONS AFFECTING COVERAGE
AND PREMIUM

No change

A. EXECUTIVE OFFICERS

No change

1. and 2.

No change

3. Premium Determination

No change

Premium for executive officers, other than
elected officers of Delaware or its political
subdivisions, shall be based on their total pay-
roll, subject to the following:

No change

a. The requirements of Rule V-E.

No change

b. The minimum individual payroll for an

No change

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executive officer is \$450 per week.

c. The maximum individual payroll for an executive officer is \$[2,150] per week.

d. and e.

c. The maximum individual payroll for an executive officer is \$2,200 per week.

No change

c: Timothy Wisecarver
Vincent Dean
Bruce Decker
Kathy Grady
Joseph Lombo
Richard Stapf