

Governing Committee

Meeting Minutes

Date	Time	Location	Staff Contact
February 8, 2024	9:30 AM	Microsoft Teams Webinar	Kristen Marsh

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The meeting of the Governing Committee was called to order at 9:30 AM following confirmation of a quorum and a reminder of applicable antitrust restrictions, with Chair Paul Ramont presiding.

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Item I

Approval of the Minutes

The Minutes of the Governing Committee meeting held on December 13, 2023 were distributed to Committee members in advance of the meeting for review. As there was no discussion of or corrections to the Minutes, a motion was made, seconded and unanimously passed to adopt the Minutes as written.

Item II

Additions to the Agenda

The Chair asked the Committee members and staff if there were any items to be added to the Agenda. Hearing none, the Chair accepted the Agenda as published.

Item III

Ratification of Actions of WCIRB Committees

The Minutes of the Classification and Rating Committee meeting held on November 14, 2023 were provided to Committee members in advance of the meeting for review. As there were no questions or discussion regarding the information, a motion was made, seconded and unanimously passed to ratify the actions of the Classification and Rating Committee.

Item V-A

September 1, 2024 Regulatory Filing

Kristen Marsh, WCIRB Senior Vice President and Chief Legal Officer, presented a summary of the amendments that the Classification and Rating (C & R) Committee recommended to the *California Workers' Compensation Uniform Statistical Reporting Plan—1995* (USRP) and *California Workers' Compensation Experience Rating Plan—1995* (ERP) for inclusion in the WCIRB's September 1, 2024 Regulatory Filing. Once approved by the Governing Committee, the WCIRB anticipates submitting the Filing by the end of February.

Ms. Marsh summarized the key proposed amendments to the USRP to be effective September 1, 2024 including: (1) establishing Classification 8874(6), *Medical Instrument Mfg. – electronic – diagnostic or treatment – hardware or software design or development – including Clerical Office Employees, Clerical Telecommuter Employees and Outside Salespersons*, as a companion to Classification 3572, *Medical Instrument Mfg. – electronic*, to apply to the hardware and software design and development, clerical and outside sales operations performed in connection with the manufacturing operations assigned to Classification 3572; (2) establishing Classification 8874(7), *Instrument Mfg. – non-electronic – scientific or medical – hardware or software design or development – including Clerical Office Employees, Clerical Telecommuter Employees and Outside Salespersons – N.O.C.*, as a companion to Classification 3682, *Instrument Mfg. – non-electronic*, to apply to hardware and software design and development, clerical and outside sales operations associated with the manufacturing operations assigned to Classification 3682; (3) combining Classification 3070, *Computer Memory Disk Mfg.*, with Classification 3681(2), *Computer or Computer Peripheral Equipment Mfg. – all other employees*, for ratemaking purposes and limiting the advisory pure premium rate relativity change for constituents of Classification 3070 to 25% each year until the advisory pure premium rate better aligns with that of Classification 3681 at which time, Classification 3070 would be eliminated and its constituents assigned to 3681(2) and the hardware and software design and development, clerical and outside sales operations performed in connection with memory disk

manufacturing assigned to Classification 8874(2), *Computer or Computer Peripheral Equipment Mfg. – hardware or software design or development*; (4) increasing the proposed threshold for each pair of dual wage classifications since the thresholds were last amended; (5) increasing the minimum and maximum payroll limitations for executive officers, partners, individual employers and members of a limited liability company, as well as other payroll limitations relevant to specific classifications, and increasing the minimum payroll limitation for taxicabs to reflect the increase in wage levels that has occurred since the minimum and maximum payroll limitations were last amended in 2023; and (6) amendments to various classifications to clarify their application.

In addition, Ms. Marsh noted that the C & R Committee also recommended changes the USRP and ERP to indicate that only COVID-19 claims with accident dates from December 1, 2019 through August 31, 2024 should be excluded from experience rating.

Following the presentation, a motion was made, seconded and unanimously passed to include the proposed changes to the USRP and ERP in the WCIRB's September 1, 2024 Regulatory Filing.

Item VI

Next Meeting Date

The Chair noted that the next meeting is scheduled for April 17, 2024.

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Item VII

Adjournment

There being no further business to come before the Committee, the meeting was adjourned at 9:41 AM.

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Note to Committee Members: These Minutes, as written, have not been approved. Please refer to the Minutes of the meeting scheduled for April 17, 2024 for approval and/or modification.