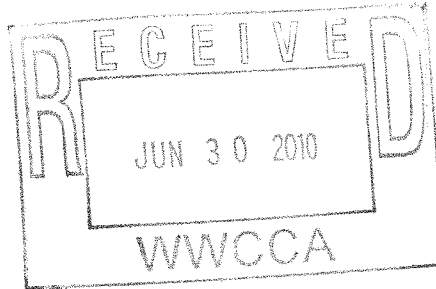


June 28, 2010



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Robert G. Mike
President

Warren J. Clark
Vice President, Operations

Mr. Ian Hendry
Chief Executive Officer
Western Wall & Ceiling Association
1910 N. Lime Street
Orange, CA 92865

**RE: Workers' Compensation Insurance
Construction Classifications by Wage Level
Proposed Adjustments to Wage Thresholds**

FILE

Dear Mr. Hendry,

Please be advised that proposed changes to the workers' compensation insurance classification system may affect all or a portion of your organization's membership.

The changes are being recommended by the Workers' Compensation Insurance Rating Bureau of California (WCIRB), which is licensed by the California Insurance Commissioner and operates under the authority of the California Insurance Code. The WCIRB, an unincorporated, nonprofit association, is the Insurance Commissioner's Designated Statistical Agent for workers' compensation insurance. The WCIRB's membership is comprised of all companies licensed to transact workers' compensation insurance in California.

Pursuant to this authority, the WCIRB administers the standard classification system, collects statistical data, formulates advisory pure premium rates and develops rules and regulations in support of the workers' compensation insurance pricing system. Classifications are reviewed regularly and are revised as appropriate to reflect economic, social and technological changes impacting the business community. These rules and advisory rates are submitted to the Insurance Commissioner for approval as part of the *California Workers' Compensation Uniform Statistical Reporting Plan – 1995*.

At its meeting of July 27, 2010, the WCIRB's Classification and Rating Committee¹ will review a proposal from the WCIRB staff to increase the hourly wage thresholds for all dual wage construction classifications by \$1.00 to reflect wage level inflation in California since the thresholds were last updated. Enclosed is a list of classifications for which the change is proposed. The July meeting will be held in the WCIRB's San Francisco office.

¹ The Classification and Rating Committee is a WCIRB committee comprised of seven members: six private insurers and State Compensation Insurance Fund. The insurance commissioner, or his designated representative, is entitled to attend all meetings. The Committee's primary responsibility is to review proposed changes to the Insurance Commissioner's workers' compensation regulations and advise the WCIRB's Governing Committee, which sets policy and oversees management of the WCIRB, with respect to these changes. In addition, the Committee reviews advisory plans and provides guidance to the WCIRB with respect to a wide variety of administrative matters.

Western Wall & Ceiling Association
June 28, 2010

Should you wish to provide written input regarding this matter, please submit it to the attention of the Classification and Rating Committee in care of the WCIRB. If you are interested in attending the meeting to observe or provide input, please contact me by July 19, 2010 so that I can ensure that there is sufficient space for all interested parties.

The WCIRB makes every effort to notify the relevant employer associations of proposed or pending changes to that may impact the association's membership. Accordingly, we ask that you assist in this effort by advising us if our contact information for your association needs to be updated. Please provide updated information to Vincent Billante by telephone at 415.778.7112, or email at vbillante@wcirbonline.org.

If you have any questions regarding this matter, please don't hesitate to give me or Mr. Billante a call.

Sincerely,



Warren J. Clark
Vice President, Operations
415.778.7158

Attachment

cc: Brenda Keys, Senior Vice President, Legal
WCIRB
(w/o attachment)

Attachment
January 1, 2011 Proposed Wage Level Increases to Dual Wage Classifications

2010 Abbreviated Classification Phraseology		Proposed 2011 Threshold
5027	Masonry — less than \$24.00	\$25.00
5028	Masonry — equals or exceeds \$24.00	\$25.00
5140	Electrical Wiring — equals or exceeds \$28.00	\$29.00
5183(1)	Plumbing — less than \$24.00	\$25.00
5183(2)	Refrigeration Equipment — less than \$24.00	\$25.00
5185	Automatic Sprinkler Installation — less than \$27.00	\$28.00
5186	Automatic Sprinkler Installation — within buildings — equals or exceeds \$27.00	\$28.00
5187(1)	Plumbing — equals or exceeds \$24.00	\$25.00
5187(2)	Refrigeration Equipment — equals or exceeds \$24.00	\$25.00
5190	Electrical Wiring — less than \$28.00	\$29.00
5201(1)	Concrete or Cement Work — sidewalks — less than \$24.00	\$25.00
5201(2)	Concrete or Cement Work — less than \$24.00	\$25.00
5205(1)	Concrete or Cement Work — sidewalks — equals or exceeds \$24.00	\$25.00
5205(2)	Concrete or Cement Work — equals or exceeds \$24.00	\$25.00
5403	Carpentry — less than \$26.00	\$27.00
5432	Carpentry — equals or exceeds \$26.00	\$27.00
5446	Wallboard Application — less than \$26.00	\$27.00
5447	Wallboard Application — equals or exceeds \$26.00	\$27.00
5467	Glaziers — less than \$26.00	\$27.00
5470	Glaziers — equals or exceeds \$26.00	\$27.00
5474(1)	Painting, Decorating or Paper Hanging — less than \$24.00	\$25.00
5474(2)	Waterproofing — less than \$24.00	\$25.00
5474(3)	Painting — oil or gasoline storage tanks — less than \$24.00	\$25.00
5482(1)	Painting, Decorating or Paper Hanging-equals or exceeds \$24.00	\$25.00
5482(2)	Waterproofing — equals or exceeds \$24.00	\$25.00
5482(3)	Painting — oil or gasoline storage tanks — equals or exceeds \$24.00	\$25.00
5484	Plastering or Stucco Work — less than \$25.00	\$26.00
5485	Plastering or Stucco Work — equals or exceeds \$25.00	\$26.00
5538	Sheet Metal Work — less than \$25.00	\$26.00
5542	Sheet Metal Work — equals or exceeds \$25.00	\$26.00
5552	Roofing — less than \$23.00	\$24.00
5553	Roofing — equals or exceeds \$23.00	\$24.00
5630	Steel Framing — light gauge — residential — less than \$26.00	\$27.00
5631	Steel Framing — light gauge — residential — equals or exceeds \$26.00	\$27.00
5632	Steel Framing — light gauge — commercial — less than \$26.00	\$27.00
5633	Steel Framing — light gauge — commercial — equals or exceeds \$26.00	\$27.00
5645(1)	Carpentry — detached private residences for 1 or 2 families — less than \$26.00	\$27.00
5645(2)	Carpentry — dwellings not exceeding 3 stories — less than \$26.00	\$27.00
5697(1)	Carpentry — detached private residences for 1 or 2 families — equals or exceeds \$26.00	\$27.00
5697(2)	Carpentry — dwellings not exceeding 3 stories — equals or exceeds \$26.00	\$27.00
6218(1)	Excavation — less than \$26.00	\$27.00
6218(2)	Grading Land — less than \$26.00	\$27.00
6218(3)	Land Leveling — farm lands — less than \$26.00	\$27.00
6220(1)	Excavation — equals or exceeds \$26.00	\$27.00
6220(2)	Grading Land — equals or exceeds \$26.00	\$27.00
6220(3)	Land Leveling — farm lands — equals or exceeds \$26.00	\$27.00
6307	Sewer Construction — less than \$26.00	\$27.00
6308	Sewer Construction — equals or exceeds \$26.00	\$27.00
6315(1)	Water Mains or Connections Construction — less than \$26.00	\$27.00
6315(2)	Gas Mains or Connections Construction — less than \$26.00	\$27.00
6316(1)	Water Mains or Connections Construction — equals or exceeds \$26.00	\$27.00
6316(2)	Gas Mains or Connections Construction — equals or exceeds \$26.00	\$27.00