



30 S 17th Street, Suite 1500
Philadelphia, PA 19103

CIRCULAR

December 3, 2024

PCRB CIRCULAR NO. 1813

To All Members of the PCRB:

RE: Approval of PCRB Filing No. 344 – Executive Officer Maximum Multiplier Increase and Changes to Auditable Payrolls Basic Manual Pages

Effective April 1, 2025

The Pennsylvania Insurance Commissioner has approved PCRB Filing No. 344, which revises designated auditable payrolls and increased the auditable payroll maximum multiplier for executive officers from 2.5 times to 4 times the Statewide Average Weekly Wage (SAWW), for policies effective at 12:01 a.m., April 1, 2025, or later. This effective date is intended to coincide with the implementation of changes concurrent with the PCRB's annual comprehensive loss cost filing, which will be submitted to the Insurance Department in the next couple of weeks.

This filing also included our annual revisions to the designated auditable payroll language with updated manual pages in Section 1 and Section 2 of the Basic Manual, which includes the following auditable weekly or annual payrolls: 1) the weekly minimum and maximum corporate officer payrolls; 2) the annual taxicab operator payroll; 3) the annual minimum auxiliary or special school police payroll; 4) the weekly maximum musicians' or entertainers' payrolls; and 5) the annual maximum payroll for each player, coach, manager or sports official subject to assignment to Code 970, Athletic Team – Contact Sports, or Code 991, Athletic Team – Noncontact Sports. The PCRB reviews these auditable payrolls annually.

These revisions reflect the proposed change to the maximum multiplier mentioned above and other annual updates based on new data within the filing.

Further details regarding these proposals are provided in Filing No. 344, accessible on the PCRB website under the home screen's "Filings" tab. Questions concerning this filing should be directed to Brent Otto, Vice President of Actuarial Services and Chief Actuary at botto@pcrb.com or Jesse Marass, Director of Actuarial Services at jmarass@pcrb.com.

William V. Taylor
President

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**PENNSYLVANIA WORKERS COMPENSATION MANUAL OF RULES, CLASSIFICATIONS
AND RATING VALUES FOR WORKERS COMPENSATION AND FOR EMPLOYERS
LIABILITY INSURANCE**

Effective April 1, 2025

INFORMATION PAGE remains unchanged.

PREFACE remains unchanged.

MEMBERSHIP remains unchanged.

TABLE OF CONTENTS remains unchanged.

SECTION 1 – Underwriting Rules-Rule I (GENERAL) through Rule IV (CLASSIFICATIONS) remains unchanged.

RULE V – PREMIUM BASIS

No change to Item A.

D. REMUNERATION – PAYROLL

No change to Item 1.

2. Inclusions

No change.

No change Items a. through m.

n. Musicians or entertainers who are not independent contractors shall be included in computation of premiums of hotels or restaurants (maximum of \$1,325 per week for each musician or entertainer);

No change Items o. through u.

No change to Item 3. through 5.

No change to Items C. through F.

SECTION 1 – Underwriting Rules-Rule VI (RATING VALUES AND PREMIUM DETERMINATION) through Rule VIII (LIMITS OF LIABILITY) remains unchanged.

RULE IX- SPECIAL CONDITIONS OR OPERATIONS AFFECTING COVERAGE AND PREMIUM

A. EXECUTIVE OFFICERS

No change to Items 1. through 5.

6. Premium Determination

No change.

a. No change.

b. The minimum individual payroll for an executive officer is \$1,325 per week.

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c. The maximum individual payroll for an executive officer is \$5,300 per week.

No change to Items d. and e.

No change to Item B.

C. PROFESSIONAL OR SEMI PROFESSIONAL ATHLETIC TEAMS – CLASS CODE 970 AND 971

No change to Item 1.

2. The entire remuneration of each player, coach, manager or sports official should be included in computing premium, subject to a maximum of \$280,000.

No change to Items 3 and 4.

No change to Items D through I.

SECTION 1 – Underwriting Rules-Rule X (CANCELLATION) through Rule XVIII (PROFESSIONAL EMPLOYER ORGANIZATIONS, PROFESSIONAL EMPLOYER AGREEMENTS AND PROFESSIONAL EMPLOYER SERVICES) remains unchanged.

SECTION 2

PCRB RATING VALUES through **DEFINITIONS** remains unchanged.

CLASSIFICATIONS

Classification Code 005, **TREE PRUNING, SPRAYING, REPAIRING OR FUMIGATING**, through Classification code 802, **MOBILE CRANE RENTAL WITH OPERATORS**, remain unchanged.

803 TAXICAB COMPANY

No change.

When cabs are leased to operators and no payroll records are available, an amount of \$66,250 per annum may be taken as payroll per operator provided the insurer has made a determination of employment status. This amount may be prorated if the operator does not work a full year.

Classification code 804, **SCHOOL TRANSPORTATION – BY INDEPENDENT CONTRACTOR**, through classification code 969, **AMUSEMENT, OUTDOOR: FAIRS, EXHIBITIONS, AMUSEMENT PARKS, OR ANY OUTDOOR AMUSEMENT THAT IS PERMANENTLY SITED**, remain unchanged

970 ATHLETIC TEAM – CONTACT SPORTS –PROFESSIONAL AND SEMI-PROFESSIONAL

No change.

The entire remuneration of each player, coach, manager or sports official should be included in computing premium, subject to a maximum of \$280,000 per policy year. When a player, coach or manager works for two or more teams in the same sport during the policy year, the maximum shall be pro-rated.

No change.

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OPERATIONS ALSO INCLUDED:

No change.

OPERATIONS NOT INCLUDED:

No change.

Classification code 971, **COMMERCIAL BUILDINGS**, through Classification code 984, **INSURANCE COMPANY – ALL EMPLOYEES INCLUDING OFFICE**, remain unchanged.

985 POLICE OR FIREFIGHTERS, SALARIED EMPLOYEES OF CITIES, TOWNSHIPS, BOROUGHES, OR COUNTIES

OPERATIONS ALSO INCLUDED:

1. Auxiliary police or special school police appointed by municipalities or townships. For such personnel, premium shall be based upon the actual remuneration subject to a minimum payroll of \$6,650 per year for each employee performing services at any time during the year.

No change to Items 2. and 3.

OPERATIONS NOT INCLUDED:

No change.

Classification code 986, **ADULT SHELTER, OR HALFWAY HOUSE – RESIDENTIAL – NON-MEDICAL – ALL EMPLOYEES INCLUDING OFFICE**, through Classification code 989, **VOLUNTEER FIRE COMPANY, SUPPORT STAFF**, remains unchanged.

991 ATHLETIC TEAM – NONCONTACT SPORTS – PROFESSIONAL OR SEMI –PROFESSIONAL

No change.

The entire remuneration of each player, coach, manager, or sports official should be included in computing premium subject to a maximum of \$280,000 per policy year. When a player, coach, or manager works for two or more teams in the same sport during the policy year, the maximum shall be pro-rated.

OPERATIONS ALSO INCLUDED:

No change.

OPERATIONS NOT INCLUDED:

No change.

GENERAL AUDITING & CLASSIFICATION INFORMATION through the end of **SECTION 2** remains unchanged.

SECTION 3 – ENDORSEMENTS remains unchanged.

SECTION 4 – RETROSPECTIVE RATING PLAN remains unchanged.

SECTION 5 – EXPERIENCE RATING PLAN remains unchanged.

SECTION 6 – MERIT RATING PLAN remains unchanged.