

EXPLANATION

New Jersey construction classification codes which are subject to the premium adjustment program are as follows:

1605	5059	5200	5443	5480	5705	6235	7855
3365	5069	5213	5445	5491	6003	6251	8227
3719	5099	5215	5458	5500	6005	6252	9529
3724	5103	5222	5459	5538	6017	6306	
3726	5146	5223	5462	5551	6039	6319	
5000	5160	5348	5466	5606	6042	6325	
5022	5183	5402	5473	5610	6204	6400	
5038	5184	5403	5474	5645	6217	7536	
5040	5188	5409	5475	5701	6229	7538	
5057	5190	5437	5479	5703	6233	7601	

The Rating Bureau will determine your **average hourly wage** for each construction classification, the applicable construction classification premium **credit percentage** and the overall **policy credit percentage**. The policy credit percentage which is applied to a qualifying policy is calculated as follows:

1. For the construction codes only, it is necessary to calculate an average **hourly wage**. This is done by dividing the total payroll (Excl: overtime premium pay) by the hours worked as included in the Application. To qualify for the program at least one construction code must produce an average hourly wage of at least **\$24.00**.
2. If the employer qualifies, the **total manual premium** for ALL classifications included in the Application must be determined. The manual rates used in this calculation are those which were in effect at the beginning of the calendar quarter submitted by the employer.
3. A stipulated **credit percentage** is then assigned to each **hourly wage** for the applicable construction codes. The hourly wages and credit percentages are included with this Information Package. The applicable construction codes also are included. The **credit percentage** is applied to the **manual premium** for each construction code. The result is a **credit amount**.
4. The **total credit amount** for the construction codes is then divided by the **total manual premium** for all codes. The resultant factor when multiplied by 100 and rounded to the nearest whole number becomes the **policy credit percentage**.

The average hourly wage and the credit percentage used in the credit percentage calculation are as follows:

Average Hourly Wage	Credit from Manual Premium	Average Hourly Wage	Credit from Manual Premium
Under 24.00	0%	31.50 – 32.24	15%
24.00 – 24.74	5%	32.25 – 32.99	16%
24.75 – 25.49	6%	33.00 – 33.74	17%
25.50 – 26.24	7%	33.75 – 34.49	18%
26.25 – 26.99	8%	34.50 – 35.24	19%
27.00 – 27.74	9%	35.25 – 35.99	20%
27.75 – 28.49	10%	36.00 – 36.74	21%
28.50 – 29.24	11%	36.75 – 37.49	22%
29.25 – 29.99	12%	37.50 – 38.24	23%
30.00 – 30.74	13%	38.25 – 38.99	24%
30.75 – 31.49	14%	39.00 & Over	25%

APPLICATION FOR NEW JERSEY CONSTRUCTION CLASSIFICATION PREMIUM ADJUSTMENT PROGRAM

GENERAL INSTRUCTIONS

This application must contain all of the requested information, it must be signed and it must contain data on **ALL** of your operations, both contracting and non-contracting. Wages for **ALL** employees regardless of hourly wage must be included. The application of any Credit Factor is subject to audit. Therefore, please retain your payroll records to support the information provided in the Application. Data submitted on any form other than this application is **NOT** acceptable.

The application must be received in accordance with the time schedule shown below. If we do not receive the completed Application within the time frame specified, your policy premium calculation will not reflect any premium credit.

SPECIFIC INSTRUCTIONS

DATA PERIOD - May be any of the latest complete calendar quarters preceding the due date of the application. The wages and hours worked for the selected quarter must be consistent with that included in Form WR-30 as reported to New Jersey Department of Labor and Workforce Development, Division of Employment Security Revenue.

COLUMN (1)- Classification Code Numbers - Please show **ALL** classification code numbers (including brief wording), contracting and non-contracting, for all insured entities. Refer to Item 4 of the Information Page of your insurance policy(s) for these 4 digit numbers. Another source for this information is your latest payroll audit form. If you cannot locate this information, contact your insurance representative or insurance company. Except for executive officers (see below), list each code only once.

COLUMN (2)- New Jersey Wages - Show the total gross New Jersey wages paid under each code number for the quarter selected. Gross wages are the total amounts paid to your employees during the quarter. It includes wages paid to personnel no longer employed. It includes salaries, wages, commission and bonuses. It excludes overtime premium wages. Overtime premium wage is the wage paid above the straight time hourly pay. For example, if an employee worked 40 hours @ \$6 an hour and 2 hours @ \$9 an hour the employee should be included on the application for 42 hours @ \$6 per hour (\$252). The additional \$3 paid for the 2 hours of overtime is excluded provided your payroll records are properly maintained.

The actual wage and title of each executive officer is to be separately shown under the appropriate code number. The Rating Bureau will make any adjustment for minimum/maximum wages. Hours worked for each executive officer are to be stated as 520 per quarter.

Do not include payrolls for subcontractors and independent contractors.

All amounts should be rounded to the nearest dollar.

COLUMN (3) -New Jersey Hours worked -Show the total number of hours worked for each classification code number for the selected quarter. In the absence of specific records, salaried employees should be assumed to each work forty (40) hours per week.

Note. The wages and hours worked must be consistent(except premium overtime pay) with that included in Form WR-30 and reported to the New Jersey Department of Labor and Workforce Development, Division of Employment Security Revenue.

The New Jersey Taxpayer Identification Number must be included. Your Application will not be processed if this Number is omitted.

To avoid illegible Applications, Fax transmittals will not be accepted.

TIME SCHEDULE

For Policy Renewals During Month of		The Date Employer Will Be Notified Is		The Completed Application is Due At The Bureau By		You May Select Any Complete Payroll Quarter Between		
Jan	X	July	X-1	Sept. 10	X-1	July X-2 Thru	June	X-1
Feb	X	Aug	X-1	Oct. 10	X-1	Oct. X-2 Thru	Sept	X-1
Mar	X	Sept.	X-1	Nov. 10	X-1	Oct. X-2 Thru	Sept	X-1
Apr	X	Oct.	X-1	Dec 10	X-1	Oct. X-2 Thru	Sept	X-1
May	X	Nov	X-1	Jan. 10	X	Jan X- 1 Thru	Dec	X-1
June	X	Dec	X-1	Feb. 10	X	Jan X- 1 Thru	Dec	X-1
July	X	Jan	X	Mar. 10	X	Jan X- 1 Thru	Dec	X-1
Aug	X	Feb	X	Apr. 10	X	Apr X- 1 Thru	Mar	X
Sept	X	Mar	X	May 10	X	Apr X-1 Thru	Mar	X
Oct	X	Apr	X	June 10	X	Apr X-1 Thru	Mar	X
Nov	X	May	X	July 10	X	July X-1 Thru	June	X
Dec	X	June	X	Aug 10	X	July X-1 Thru	June	X

Adobe Acrobat 7.0 or greater needed

APPLICATION
FOR
NEW JERSEY CONSTRUCTION CLASSIFICATION PREMIUM ADJUSTMENT PROGRAM

This application will not be processed unless it is signed and completed in its entirety. Contact your insurance representative or insurance company if assistance is needed. Please review instructions on reverse before completing the application.

Insured _____
Address _____ City _____
State _____ Zip Code _____ Coverage ID#. (see accompanying letter) _____

(1) CLASSIFICATION CODE NUMBERS (You <u>MUST</u> list ALL codes both contracting and non-contracting in this column.)	(2) NEW JERSEY WAGES PAID DURING DATA PERIOD (See specific instructions on the reverse for (2), (3))	(3) NEW JERSEY HOURS WORKED DURING DATA PERIOD
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
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_____	_____	_____
_____	_____	_____
_____	_____	_____

This application must include all classifications, wages and hours worked for all businesses commonly owned and included in your experience rating calculations.

The foregoing is based on actual **total wages (less overtime) and time** worked by all employees as reflected in our payroll records. The information should be consistent with that **included in form *WR-30 and reported to the New Jersey Department of Labor, Division of Employment Security Revenue**, for the complete calendar quarter ending

Month

Year

NAME _____

Date _____

TITLE _____

E-Mail

Phone Number _____

N.J. Taxpayer Identification No.

By typing initials in this box I agree that I have read the instructions and have verified the information. Further, I have entered a name that matches the e-mail address that forwards this application.

Please Enter Initials.

SIGNATURE _____

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