



Minnesota Workers' Compensation  
Insurers Association, Inc.  
7701 France Avenue South • Suite 450  
Minneapolis, MN 55435-3200

August 8, 2013

**ALL ASSOCIATION MEMBERS**

Circular Letter No. 13-1637

**RE: NCCI Filing Item P-1410 – Establishment of Notification Endorsement of Pending Law Change to Terrorism Risk Insurance Program Reauthorization Act of 2007**

The Minnesota Department of Commerce has approved the above filing to become effective 12:01 a.m., January 1, 2014, for new, renewal, and in-force voluntary and Assigned Risk policies.

The Terrorism Risk Insurance Act (TRIA) took effect on November 26, 2002. It provided a temporary program under which the federal government would share in the payment of insured losses caused by certain acts of terrorism. It was renewed as the Terrorism Risk Insurance Extension Act (TRIEA) in 2005, and as the Terrorism Risk Insurance Program Reauthorization Act (TRIPRA) in 2007. In the absence of US Congressional action to extend, update, or otherwise reauthorize TRIPRA in whole or in part, TRIPRA is scheduled to expire on December 31, 2014.

It is unknown at this time whether Congress will take action regarding TRIPRA and exposure to acts of terrorism remains. This item establishes the Notification Endorsement of Pending Law Change to Terrorism Risk Insurance Program Reauthorization Act of 2007 (WC 00 01 14) in the ***Minnesota Forms Manual***. The purpose of this endorsement is to notify policyholders of the impending expiration of TRIPRA and that, if it expires, a premium charge for losses that occur in the event of certain acts of terrorism may continue to apply or change from the amount currently applied.

While the use of this endorsement will be optional for voluntary carriers, it will be mandatory for Minnesota Assigned Risk carriers. The continued application of the premium charged by carriers for terrorism will be subject to regulatory review in accordance with the applicable state law.

The premium charge for coverage that a standard workers compensation and employers liability policy provides for terrorism or war losses is shown in Item 4 of the policy Information Page or the Terrorism Risk Insurance Program Reauthorization Act Disclosure Endorsement (WC 00 04 22 A) Schedule that is attached to the policy. In the event of TRIPRA's expiration, this amount may continue or change for new, renewal, and in-force policies in effect on or after December 31, 2014.

Minnesota workers' compensation insurers are covered by the Workers Compensation Reinsurance Association (WCRA) above their retention limits for terrorism losses described in the Terrorism Risk Insurance Act of 2002, *as amended*, by the Terrorism Reauthorization Acts of 2005 and 2007 (collectively "TRIA"). Should TRIA not be reauthorized by Congress prior to its December 31, 2014 expiration date, that WCRA coverage will continue. Any changes related to WCRA coverage or costs arising from the expiration of TRIA will be addressed in communications from WCRA to its insured members.

Exhibits I & II illustrate all necessary changes to the ***Minnesota Forms Manual***. As in past filings, strikethroughs indicate deleted text and underlining indicates new or added text. A copy of National Council's original filing memorandum is also included.

Please direct any questions you may have concerning this item to MWCIA's Member & Customer Services staff at 952.897.1737 (Option 1) or email at [underwriting@mwcia.org](mailto:underwriting@mwcia.org).

**A NOTICE TO MEMBERSHIP:**

MWCIA would like to remind our membership who have filed a Limited Power of Attorney with the Minnesota Department of Commerce that no materials referenced in this Circular Letter are required to be independently filed with the Department.

Effective January 1, 2014

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**NOTIFICATION ENDORSEMENT OF PENDING LAW CHANGE TO TERRORISM RISK INSURANCE PROGRAM  
REAUTHORIZATION ACT OF 2007**

This endorsement is being sent to you with respect to your workers compensation and employers liability insurance policy. This endorsement does not replace the separate Terrorism Risk Insurance Program Reauthorization Act Disclosure Endorsement (WC 00 04 22 A) that is attached to your current policy and which remains in effect as applicable.

The Terrorism Risk Insurance Act of 2002 (TRIA) as previously amended and extended by the Terrorism Risk Insurance Program Reauthorization Act of 2007 (TRIPRA), provides for a program under which the federal government will share in the payment of insured losses caused by certain acts of terrorism. In the absence of affirmative US Congressional action to extend, update, or otherwise reauthorize TRIPRA, in whole or in part, TRIPRA is scheduled to expire December 31, 2014.

Since the timetable for any further Congressional action respecting TRIPRA is unknown at this time, and exposure to acts of terrorism remains, we are providing our policyholders with relevant information concerning their workers compensation policies in effect on or after January 1, 2014 in the event of TRIPRA's expiration.

Your policy provides coverage for workers compensation losses caused by acts of terrorism or war, including workers compensation benefit obligations dictated by state law, except in Pennsylvania where injuries or deaths resulting from certain war-related activities are excluded from workers compensation coverage. Coverage for such losses is still subject to all terms, definitions, exclusions, and conditions in your policy.

**The premium charge for the coverage your policy provides for terrorism or war losses is shown in Item 4 of the Information Page or the Schedule in the Terrorism Risk Insurance Program Reauthorization Act Disclosure Endorsement (WC 00 04 22 A) that is attached to your policy, and this amount may continue or change for new, renewal, and in-force policies in effect on or after December 31, 2014 in the event of TRIPRA's expiration, subject to regulatory review in accordance with applicable state law.**

You need not do anything further at this time.

## INDEX

## MINNESOTA FORMS MANUAL

The following forms and endorsements in this Minnesota Forms Manual have been approved by the Minnesota Commerce Department and are available for use in Minnesota.

- Introduction
- Workers' Compensation and Employers Liability Insurance Policy Rules
- WC 00 00 00 B Workers Compensation and Employers Liability Insurance Policy
- WC 00 01 01 A Defense Base Act Coverage Endorsement
- WC 00 01 04 A Federal Employers' Liability Act Coverage Endorsement
- WC 00 01 06 A Longshore and Harbor Workers' Compensation Act Coverage Endt.
- WC 00 01 08 A Nonappropriated Fund Instrumentalities Act Coverage Endorsement
- WC 00 01 09 B Outer Continental Shelf Lands Act Coverage Endorsement
- WC 00 01 11 Migrant and Seasonal Agricultural Worker Protection Act Coverage Endorsement
- WC 00 01 14 Notification Endorsement of Pending Law Change to Terrorism Risk Insurance Program Reauthorization Act of 2007
- WC 00 02 01 A Maritime Coverage Endorsement
- WC 00 02 03 Voluntary Compensation Maritime Coverage Endorsement
- WC 00 02 04 Limited Maritime Coverage Endorsement
- WC 00 03 01 A Alternate Employer Endorsement
- WC 00 03 02 Designated Workplaces Exclusion Endorsement
- WC 00 03 03 C Employers Liability Coverage Endorsement
- WC 00 03 04 Insurance Company as Insured Endorsement
- WC 00 03 05 Joint Venture as Insured Endorsement
- WC 00 03 08 Partners, Officers and Others Exclusion Endorsement
- WC 00 03 09 B Rural Utilities Service Endorsement
- WC 00 03 10 Sole Proprietors, Partners, Officers and Others Coverage Endorsement
- WC 00 03 11 A Voluntary Compensation and Employers Liability Coverage Endt.
- WC 00 03 13 Waiver of Our Right to Recover from Others Endorsement
- WC 00 04 01 A Aircraft Premium Endorsement
- WC 00 04 03 Experience Rating Modification Factor Endorsement

- WC 00 04 05 Policy Period Endorsement
- WC 00 04 06 A Premium Discount Endorsement
- WC 00 04 09 Premium Determination Endorsement — Former Self-Insurers 1
- WC 00 04 10 Premium Determination Endorsement — Former Self-Insurers 2
- WC 00 04 12 Contingent Experience Rating Modification Factor Endorsement
- WC 00 04 14 Notification of Change in Ownership Endorsement
- WC 00 04 19 Premium Due Date Endorsement
- WC 00 04 22 A Terrorism Risk Insurance Program Reauthorization Act Disclosure Endorsement
- WC 00 05 03 B Retrospective Rating Plan Premium Endorsement — One Year Plan
- WC 00 05 04 B Retrospective Rating Plan Premium Endorsement — Three Year Plan
- WC 00 05 05 B Retrospective Rating Plan Premium Endorsement — Long-Term Wrap-Up Construction Project
- WC 00 05 08 Retrospective Rating Premium Endorsement Aviation Exclusion
- WC 00 05 09 A Retrospective Rating Premium Endorsement Changes
- WC 00 05 10 A Retrospective Rating Plan Premium Endorsement Non-Ratable Catastrophe Element or Surcharge
- WC 00 05 11 Retrospective Rating Premium Endorsement Short Form
- WC 00 05 12 B Retrospective Rating Plan Premium Endorsement One Year Plan — Multiple Lines
- WC 00 05 13 B Retrospective Rating Plan Premium Endorsement Three Year Plan — Multiple Lines
- WC 00 05 14 B Retrospective Rating Plan Premium Endorsement Long-Term Wrap-Up Construction Project — Multiple Lines
- WC 00 05 15 A Retrospective Rating Plan Premium Endorsement Flexibility Options
- WC 00 05 16 Retrospective Rating Plan Premium Endorsement — Large Risk Alternative Rating Option (LRARO)
- WC 00 06 03 Benefits Deductible Endorsement
- WC 89 06 09 C Policy Termination/Cancellation/Reinstatement Notice
- WC 22 00 00 A Minnesota Amendatory Endorsement
- WC 22 00 01 Information Page
- WC 22 03 01 Minnesota Compliance with Applicable Trade Sanction Laws
- WC 22 03 02 Minnesota Independent Contractors Coverage Endorsement
- WC 22 03 03 Minnesota Third Degree of Kindred Family Member Exclusion Endt.

- WC 22 03 04 Minnesota Employee Leasing Endorsement
- WC 22 03 05 Minnesota Exclusion of Coverage for Leased Employees Endorsement
- WC 22 03 06 Minnesota Alternate Employer Endorsement [Excluding Employers Liability Coverage]
- WC 22 04 01 Minnesota Contracting Premium Adjustment Program Endorsement
- WC 22 04 02 Minnesota Anniversary Rating Date Endorsement
- WC 22 06 00 Minnesota Policy Change Endorsement
- WC 22 06 01 D Minnesota Cancellation and Nonrenewal Endorsement
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- WC 22 06 04 Minnesota Policy Information Page Endorsement Effective Date
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- WC 22 06 17 Minnesota Policy Information Page Endorsement — Carrier Servicing Office
- WC 22 06 18 Minnesota Policy Information Page Endorsement — Interstate/Intrastate Risk ID Number
- WC 22 06 19 Minnesota Policy Information Page Endorsement Carrier Number
- WC 22 06 20 Minnesota Entity Address Schedule



**National Council on  
Compensation Insurance**

**Terri Robinson**  
State Relations Executive  
Regulatory Services Division

(P) 501-753-5180 (F) 561-893-5655  
Email: Terri\_Robinson@ncci.com

July 3, 2013

Mr. Bruce Tollefson, President  
Minnesota Workers' Compensation Insurers Association  
7701 France Avenue South, Suite 450  
Minneapolis, Minnesota 55435

**Re: Item P-1410—Establishment of Notification Endorsement of Pending Law Change to  
Terrorism Risk Insurance Program Reauthorization Act of 2007**

Dear Mr. Tollefson:

We are filing the above captioned item in a number of NCCI jurisdictions. The attached filing memorandum describes the proposed changes.

This filing memorandum is proprietary and copyrighted by NCCI. NCCI grants your organization permission to copy, use and modify the filing memorandum as necessary for filing in your jurisdiction on the condition that the materials are reprinted for distribution or sale only to members of your organization and only for use in your state. In addition, the modified pages must bear the following copyright legend:

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NCCI maintains a report for use by our common members that contains the approval status of national and state item filings (*Status of Item Filings Circular*). Please notify Joe Volman by phone (561-893-3046) or e-mail (joe\_volman@ncci.com) if your organization files and receives approval of this item. This information will be reflected in the *Status of Item Filings Circular*, which is located on our web site and to which you have been given access.

Sincerely,

A handwritten signature in black ink that reads "Terri Robinson". The signature is written in a cursive, flowing style.

Terri Robinson  
State Relations Executive

TR:ah

Attachment

## FILING MEMORANDUM

### **ITEM P-1410—ESTABLISHMENT OF NOTIFICATION ENDORSEMENT OF PENDING LAW CHANGE TO TERRORISM RISK INSURANCE PROGRAM REAUTHORIZATION ACT OF 2007**

#### **PURPOSE**

This item establishes the Notification Endorsement of Pending Law Change to Terrorism Risk Insurance Program Reauthorization Act of 2007 (WC 00 01 14), to be located in NCCI's *Forms Manual of Workers Compensation and Employers Liability Insurance (Forms Manual)*.

#### **BACKGROUND**

The Terrorism Risk Insurance Act (TRIA) took effect on November 26, 2002. It provided a temporary program under which the federal government would share in the payment of insured losses caused by certain acts of terrorism. It was renewed as the Terrorism Risk Insurance Extension Act (TRIEA) in 2005, and as the Terrorism Risk Insurance Program Reauthorization Act (TRIPRA) in 2007. In the absence of US Congressional action to extend, update, or otherwise reauthorize TRIPRA in whole or in part, TRIPRA is scheduled to expire on December 31, 2014.

It is unknown at this time whether Congress will take action regarding TRIPRA. Exposure to acts of terrorism remains. Therefore, NCCI is establishing an endorsement for carriers to use in the event of TRIPRA's expiration.

#### **PROPOSAL**

This item establishes the Notification Endorsement of Pending Law Change to Terrorism Risk Insurance Program Reauthorization Act of 2007 (WC 00 01 14) in NCCI's *Forms Manual*. The purpose of this endorsement is to notify policyholders of the impending expiration of TRIPRA and that, if it expires, a premium charge for losses that may occur in the event of certain acts of terrorism may either continue to apply or change from the amount currently applied.

While the use of this endorsement will be optional for voluntary carriers, it will be mandatory for assigned carriers in NCCI Plan-administered states where it receives regulatory approval. The continued application of the premium charged by carriers for terrorism will be subject to regulatory review in accordance with the applicable state law.

#### **IMPACT**

The premium charge for coverage that a standard workers compensation and employers liability policy provides for terrorism or war losses is shown in Item 4 of the policy Information Page or the Terrorism Risk Insurance Program Reauthorization Act Disclosure Endorsement (WC 00 04 22 A) Schedule that is attached to the policy. In the event of TRIPRA's expiration, this amount may continue or change for new, renewal, and in-force policies in effect on or after December 31, 2014.

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FILING MEMORANDUM

**ITEM P-1410—ESTABLISHMENT OF NOTIFICATION ENDORSEMENT OF PENDING LAW  
 CHANGE TO TERRORISM RISK INSURANCE PROGRAM REAUTHORIZATION ACT OF 2007**

**EXHIBIT COMMENTS AND IMPLEMENTATION SUMMARY**

Exhibit	Exhibit Comments	Implementation Summary
1	<p>Displays the Notification Endorsement of Pending Law Change to Terrorism Risk Insurance Program Reauthorization Act of 2007 (WC 00 01 14), to be located in NCCI's <i>Forms Manual</i></p> <p><b>Note:</b> While the use of this endorsement will be optional for voluntary carriers, it will be mandatory for assigned carriers in NCCI Plan-administered states where it has received regulatory approval.</p>	<ul style="list-style-type: none"> <li>• To become effective for new, renewal, and in-force voluntary and assigned risk policies effective on and after 12:01 a.m. on January 1, 2014</li> <li>• In Hawaii, the effective date is determined upon regulatory approval of the individual carrier's election to adopt this change</li> </ul>

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**ITEM P-1410—ESTABLISHMENT OF NOTIFICATION ENDORSEMENT OF PENDING LAW CHANGE TO TERRORISM RISK INSURANCE PROGRAM REAUTHORIZATION ACT OF 2007**

**EXHIBIT 1**

**FORMS MANUAL OF WORKERS COMPENSATION AND EMPLOYERS LIABILITY INSURANCE  
NOTIFICATION ENDORSEMENT OF PENDING LAW CHANGE TO TERRORISM RISK  
INSURANCE PROGRAM REAUTHORIZATION ACT OF 2007 (WC 00 01 14)**

**NOTIFICATION ENDORSEMENT OF PENDING LAW CHANGE TO TERRORISM RISK INSURANCE  
PROGRAM REAUTHORIZATION ACT OF 2007 (WC 00 01 14)**

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You need not do anything further at this time.