

**ADVISORY NO. 354**  
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**TOPIC: NAICS CODES MANDATORY ON JULY 1, 2003**

We are closing in on the date that the North American Industrial Classification System Codes (NAICS Codes) become mandatory on EDI reports. The TWCC will require NAICS codes effective July 1, 2003. The TWCC published an advisory on this subject on August 9th, 2001 (2001-07.) An FOL Advisory (305 - Amended) was also published on this subject on August 28th, 2001.

A encapsulated summary of these two advisories clarifies that the TWCC will begin to accept North American Industrial Classification System codes (NAICS codes) on July 1, 2003. **NAICS codes must be used on the first report of injury (either EDI 148 transactions or the TWCC Form 1 if an EDI waiver is in place for any carrier reporting via paper.)** It is important to report the code assigned to the employer by the Texas Workforce Commission that the employee was supporting at the time of injury. The Texas Workforce Commission uses NAICS codes for occupational code information and keeps this information within their system by employer and industrial classification category.

**The TWCC does not plan on editing the TWCC-1 form to accommodate the change from SIC code reporting to NAICS code reporting.** This may present some problems for carriers and employers. Employers will be permitted to continue to submit SIC code information to carriers in their initial reports of injuries. Carriers will now be required to translate SIC codes to NAICS codes for EDI reports to the TWCC. Carriers may develop means to receive NAICS code information from employers as long as the means comply with applicable TWCC rules.

Because of the complexity of this transition, we are publishing information to our clients to assist them in making the SIC code to NAICS code transition. We are including a large number of hyperlinks to the Bureau of Labor Statistics and Census Bureau websites. These links will give detailed information about NAICS codes and the transition from SIC to NAICS codes. Additionally, we are attaching a copy of a list of NAICS codes and their SIC code equivalents in .pdf format. We are including telephone contact information for the TWCC and the Texas Workforce Commission's Labor Market Information Division and Industrial Estimates Division. These two divisions of the Workforce Commission can assist carriers and employers with NAICS coding information and employer related NAICS code classification questions. We are also attaching a copy of the FOL advisory and a hyperlink to the TWCC advisory regarding this transition.

Together, these resources should provide carriers with sufficient information to translate or map SIC code information to NAICS code information for their EDI reports to the TWCC.

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This information may also be used to assist carriers in training their insured's in NAICS code usage. It is important for carriers to begin reporting occupational information in NAICS code format to the TWCC after 07/01/03.

Please review the attached documents and access the hyperlinks provided. If you have any questions regarding this matter please contact Frank Clary at [fjc@fol.com](mailto:fjc@fol.com).

### **Telephone Contact Information**

TWCC contact: Scott Gallacher (512) 804-4695 or by e-mail at [Scott.Gallacher@twcc.state.tx.us](mailto:Scott.Gallacher@twcc.state.tx.us)

Texas Workforce Commission: Labor Market Information Division (512) 491-4922

Texas Workforce Commission: Industrial Estimates Division: (800) 227-7816 or (800) 252-2485

### **TWCC Hyperlink Information**

TWCC advisory 2001-07: <http://wwwprd.twcc.state.tx.us/news1/advisories/ad2001-07.html>

### **U.S. Census Bureau Hyperlink Information**

Census Bureau NAICS page: <http://www.census.gov/epcd/www/naics.html>

NAICS to SIC translation: <http://www.census.gov/epcd/naics02/t302to87.pdf>

NAICS Search Function (find an NAICS code online): <http://www.census.gov/epcd/naics02/>

NAICS - SIC Automatic Conversion: <http://www.census.gov/epcd/www/naicstab.htm>

### **U.S. Bureau of Labor Statistics Hyperlink Information**

BLS What is NAICS? <http://www.bls.gov/sae/saewhatis.htm>

BLS General Information Main Page: [http://www.bls.gov/bls/naics\\_aggregation.htm](http://www.bls.gov/bls/naics_aggregation.htm)

BLS NAICS Information summary page: <http://www.bls.gov/bls/naics.htm>

BLS NAICS Information summary page 2: <http://www.bls.gov/sae/saenaics.htm#naics>

BLS NAICS implementation schedule: [http://www.bls.gov/bls/naics\\_implementation.htm](http://www.bls.gov/bls/naics_implementation.htm)

BLS Industry Classification "Superstructures:" <http://www.bls.gov/sae/saesuper.htm>

BLS industry classification structure: <http://www.bls.gov/iag/iaghome.htm>

National structure information: <http://www.bls.gov/sae/saecellstructure.htm>

State and area classification structure: <http://www.bls.gov/sae/saestruct.htm>

Texas NAICS structures: <http://www.bls.gov/sae/txstructures.htm>