

69L-6.025 Conditional Release of Stop-Work Order and Periodic Payment Agreement.

(1) The requirements for issuance of an Order of Conditional Release From Stop-Work Order as provided for in Section 440.107, F.S., are:

(a) The employer has come into compliance with the coverage requirements of Chapter 440, F.S. Compliance with the coverage requirements of Chapter 440, F.S., includes demonstration by the employer that it is no longer failing to secure the payment of compensation within the meaning of Section 440.107, F.S.

(b) The employer and the Department have executed a Payment Agreement Schedule for Periodic Payment of Penalty, Form Number DFS-F4-1600 (rev. 7/04).

~~(c) The employer agrees to file probationary periodic reports with the Department for a time period that does not exceed 2 years that demonstrate the employer's continued compliance with Chapter 440, F.S. The probationary periodic reports shall be filed as a section of each monthly payment installment invoice pursuant to the Payment Agreement Schedule for Periodic Payment of Penalty.~~

(2) The terms and conditions of a Payment Agreement Schedule for Periodic Payment of Penalty shall be:

(a) The employer shall make a down payment on the total assessed penalty amount to the Department that is the greater of \$1000.00 or at least 10% of the total assessed penalty amount. The amount constituting the total assessed penalty amount, less the down payment, shall be referred to as the "remaining penalty".

(b) Each monthly payment installment is due on the first day of the month in which it is due, and the employer is in violation of the Payment Agreement Schedule for Periodic Payment of Penalty if the full monthly payment installment is not received by the Department by the last day of the month in which the payment installment is due;

1. The employer shall pay the remaining penalty in up to sixty consecutive monthly installments.

2. The employer may at any time pre-pay the installments of the remaining penalty, which have not become due.

3. The first monthly payment installment shall be due on the first day of the second month following the month of issuance of the Conditional Release From Stop-Work Order, Form Number DFS-F4-1602 (rev. 6/04), and each subsequent payment installment shall be due on the first day of each consecutive month.

(c) Monthly payment installments shall only be remitted to the Department's address designated in the Payment Agreement Schedule for Periodic Payment of Penalty.

(d) Monthly payment installments shall be in the form of a cashier's check or money order only, made payable to the DFS-Workers' Compensation Administration Trust Fund.

(e) If the employer is a corporation, only an officer of the corporation may execute the Payment Agreement Schedule For Periodic Payment of Penalty on behalf of the employer.

(f) If the employer is a business entity other than a corporation, any principal of the business entity may execute the Payment Agreement Schedule For Periodic Payment of Penalty on behalf of the employer.

(g) Failure by the employer to meet or violation of any term or condition of the Payment Agreement Schedule For Periodic Payment of Penalty shall constitute a default by the employer.

(3) The Payment Agreement Schedule For Periodic Payment of Penalty becomes effective when it is executed on behalf of the employer and by the Department. Upon execution of the Payment Agreement Schedule For Periodic Payment of Penalty, the Department will provide the employer with a Monthly Payment Installment Invoice, Form Number DFS-F4-1601 (eff. _____)(~~rev. 8/04~~), which shall be submitted with each monthly payment installment. ~~Each Monthly Payment Installment Invoice contains a probationary reporting section that shall be completed by the employer.~~

(4) If an employer defaults under any of its obligations under the Payment Agreement Schedule For Periodic Payment of Penalty, the Stop-Work Order to which the penalty applies shall be immediately reinstated and the entire unpaid balance of the remaining penalty shall immediately become due and payable. "Immediately reinstated" means twenty-one (21) calendar days after an Order Reinstating Stop-Work Order is executed by the Chief Financial Officer or his or her designee and has been filed with the agency clerk of the Department. Subsequent to the issuance of an Order Reinstating Stop-Work Order by the Department, the Department will rescind the Order Reinstating Stop-Work Order requiring the employer to adhere to the terms and conditions of its Payment Agreement Schedule For Periodic Payment of Penalty only if the Department receives from the employer all past due monthly payments prior to the expiration of the twenty-one day period. All past due monthly payments must be made by cashier check(s) or money order(s) made payable to DFS-Workers' Compensation Administration Trust Fund and be remitted to Department of Financial Services, Revenue Processing Section, Division of Workers' Compensation, P. O. Box 7900, Tallahassee, FL 32314-7900. The Department will not enter into another Payment Agreement Schedule For Periodic Payment of Penalty with an

employer in a case where the employer has had its stop-work order immediately reinstated through an Order Reinstating Stop-Work Order, and in order to be released from a stop-work order that has been immediately reinstated the employer must pay the remainder of the entire penalty and show that it otherwise is in compliance with the coverage requirements of Chapter 440, F.S. The Department in any one case will not rescind an Order Reinstating Stop-Work Order more than twice.

(5) An employer that has entered into a Payment Agreement Schedule For Periodic Payment of Penalty with the Department currently in default of any of its obligations under such agreement or that has had its stop-work order immediately reinstated through an Order Reinstating Stop-Work Order is ineligible for conditional release from a stop-work order issued to it by the Department in a separate subsequent case.

(6) An employer that has been conditionally released from a stop-work order and is not in default of its current Payment Agreement Schedule For Periodic Payment of Penalty is ineligible for conditional release from a stop-work order issued to it by the Department in a subsequent case.

(7) At the request of an employer, the Department and an employer may enter into a new Payment Agreement Schedule For Periodic Payment of Penalty, thereby extending the payment of the outstanding penalty amount for up to sixty consecutive monthly installments, if the following criteria have been met, as determined by the Department:

(a) The employer must not be in default of its original Payment Agreement Schedule For Periodic Payment of Penalty;

(b) The employer must have submitted at least six (6) monthly payments under its original Payment Agreement Schedule For Periodic Payment of Penalty;

(c) If the employer was issued an Order Reinstating Stop-Work Order that was later rescinded, the employer must have submitted at least six monthly payments under its original Payment Agreement Schedule For Periodic Payment of Penalty after the issue date of the Order Rescinding Order Reinstating Stop-Work Order; and

(d) If a payment made by the employer was returned to the Department by the employer's financial institution for non-sufficient funds, the employer must have submitted at least six monthly payments under its original Payment Agreement Schedule For Periodic Payment of Penalty after the returned payment has been cured.

(8) The Department will enter into only one new Payment Agreement Schedule For Periodic Payment of Penalty with an employer. The Department shall not enter into a new Payment Agreement Schedule For Periodic Payment of Penalty with any employer that has had its Stop-Work Order reinstated, nor to any employer that has had its case forwarded to a collection agency for collection of the remaining penalty.

~~(9)~~(6) The Department hereby adopts and incorporates the following forms by reference. Copies of the forms can be obtained from the Division of Workers' Compensation's Bureau of Compliance, 200 East Gaines Street, Tallahassee, Florida 32399-4228, or from any field office identified in Rule 69L-6.009, F.A.C.

(a) DFS-F4-1600 Payment Agreement Schedule for Periodic Payment of Penalty rev. 7/04.

(b) DFS-F4-1601 Monthly Payment Installment Invoice eff. _____ ~~rev. 8/04~~.

(c) DFS-F4-1602 Order of Conditional Release from Stop-Work Order rev. 6/04.

~~(10)~~(7) Employers assessed penalties pursuant to Rule 69L-6.030, F.A.C. are eligible to enter into a Payment Agreement Schedule for Periodic Payment of Penalty with the Department.

~~(11)~~(8) If an employer conducts business operations in violation of an Order Reinstating Stop-Work Order, a penalty shall be assessed against the employer pursuant to Section 440.107(7)(c), F.S. The number of days that the employer conducts business operations in violation of an Order Reinstating Stop-Work Order shall begin on the date the Order Reinstating Stop-Work Order is immediately reinstated.

(12) An employer found conducting business in violation of an Order Reinstating Stop-Work Order may not enter into another Payment Agreement Schedule For Periodic Payment of Penalty for a penalty assessed as a result of conducting business in violation of the Order Reinstating Stop-Work Order. In order to obtain a release of the Order Reinstating Stop-Work Order, the employer must pay all penalties assessed and must provide proof of compliance with the coverage requirements of Chapter 440, F.S.