

Division of Workers' Compensation



CHIEF FINANCIAL OFFICER
STATE OF FLORIDA

IMPORTANT WORKERS' COMPENSATION INFORMATION FOR CONTRACTORS

Coverage Requirements

Any employer engaged in the construction industry and employing one or more employees must have Florida workers' compensation insurance. Corporate officers, limited liability company members, sole proprietors, partners, and independent contractors engaged in the construction industry are considered employees under Florida's workers' compensation law. An employer engaged in the construction industry and is a corporate officer or member of a limited liability company may qualify to obtain a construction industry exemption, issued by the Division of Workers' Compensation (Division).

Contractors are required to make certain that all sub-contractors have the required workers' compensation insurance before they begin work on a project. If the sub-contractor has an exemption, the contractor should obtain a copy of the sub-contractor's certificate(s) of exemption. Proof of workers' compensation policy information and valid exemptions can be found on the Division's website or by calling the Division at 850-413-1609.

A change in job duties performed by employees or an increase in the amount of payroll of a business must be reported to the insurance company.

If an employer has secured workers' compensation coverage for their employees through an employee leasing arrangement, the employer must report all employees to the employee leasing company in accordance with the client contract with the employee leasing company.

Employees not reported to the employee leasing company are not provided workers' compensation benefits and may cause the employer to be non-compliant with Florida's coverage requirements. Any change in job duties performed by the employees must also be reported to the employee leasing company.

Please see the reverse side of this flyer for information about obtaining workers' compensation insurance, eligibility requirements for a construction industry exemption, and contact information for the Division.

Out-Of-State Contractors

An out-of-state contractor must immediately notify their insurance company and/or insurance agent that it has employees engaging in work in Florida.

An out-of-state construction industry employer who has employees working in Florida must either obtain a Florida workers' compensation insurance policy or have an endorsement added to their home state policy that lists Florida in Section 3.A. of the policy.

Extraterritorial reciprocity: out-of-state employers whose home jurisdiction has in its statutes an extraterritorial reciprocity clause allowing temporary employees from another jurisdiction (Florida) to work under the home state's workers' compensation policy is permitted to work in Florida using the workers' compensation policy from the home state, so long as the work is temporary. Temporary is defined as no more than 10 consecutive days with a maximum of 25 calendar days in a year.

Florida construction contractors who wish to contract with out-of-state contractors, must require proof of a Florida workers' compensation policy or an endorsement to the out-of-state contractor's policy listing Florida in Section 3.A. of the policy.

Enforcement Provisions

The Division is responsible for enforcing employer compliance with the coverage requirements of the workers' compensation law. Compliance investigators have the authority to conduct on-site inspection of jobsites to ensure employer compliance. A Stop-Work Order will be issued to any employer who is required to secure Florida Workers' Compensation coverage but fails to do so. A Stop-Work Order requires the employer to cease all business operations in the state. A Stop-Work Order may also be issued to an employer who has a workers' compensation policy but understates or conceals payroll or misrepresents or conceals an employee's duties. Investigators have the authority to request business records from an employer. If requested, the employer must produce the requested business records within ten business days of the Division's written request for records. Failure to respond to the request within ten business days will result in the issuance of a Stop-Work Order.

For the Division to release a Stop-Work Order, an employer must provide evidence that it has come into compliance and pay a down payment on assessed penalties.

Where to Find Workers' Compensation Insurance Coverage?

Contact an insurance agent. You can also contact the following insurance agent associations:

Florida Association of Insurance Agents at 850-893-4155
www.faia.com

Professional Insurance Agents of Florida at 850-893-8245
www.piafl.org

Latin American Association of Insurance Agencies at 305-477-1442
www.laaia.com

If you cannot obtain coverage through the standard workers' compensation market, you may contact the Florida Workers' Compensation Joint Underwriting Association (FWCJUA) at 941-378-7400 or visit their website at www.fwcjua.com. The workers' compensation rates in the FWCJUA will be higher than the rates in the standard market.

You may also consider entering into an employee leasing arrangement with a professional employer organization that has secured workers' compensation coverage on behalf of its clients.

How to Obtain a Construction Industry Exemption Application?

You can apply for an exemption electronically through the Division's Notice of Election to be Exempt online application system at www.myfloridacfo.com/division/wc/.

For additional information about workers' compensation coverage and the location of the district offices nearest to you to obtain an exemption application, please call 1-850-413-1609.

Construction Industry Exemption Eligibility Information

You must be an officer of a Florida corporation or a member of a Florida limited liability company (LLC).

Exemption holders are not eligible to recover workers' compensation benefits if injured on the job.

Applicant must own 10% of the corporation or LLC.

Corporation or LLC must be registered with the Florida Department of State, Division of Corporations.

Applicant must have a valid FL Driver's License, FL ID card, or other state valid Driver's License.

Applicant must be listed as an officer of the corporation on the Division of Corporations website.

Applicant must list all certified or registered licenses pursuant to Chapter 489, Florida Statutes.

Only three exemptions permitted per company (corporation or LLC) group of affiliated companies.

****Out-of-state contractors that are corporations or limited liability companies can qualify as foreign corporations or foreign limited liability companies by filing specific form and documentation with the Florida Division of Corporations. For more information regarding the foreign qualification requirements, call (850) 245-6051 for LLC's or (850) 245-6052 for corporations. The forms can be accessed at www.sunbiz.org.**

DWC
Division of Workers' Compensation

(850) 413-1609
www.MyFloridaCFO.com/Division/WC
workers.compservice@myfloridacfo.com