

**WORKERS'
COMPENSATION FOR
CONTRACTORS AND
CONSTRUCTION**



Employer Education Series **STATE**
COMPENSATION
INSURANCE
FUND

Our Speakers



Vanessa Zamora
Executive Underwriter
Regional Operations



Richard Chou
Underwriter
Regional Operations



Kimberly Brunson
Senior Payroll Auditor
Premium Audit



Julie Lavezzari
Senior LP Engineer
Safety & Health



Denise Flatt
Loss Prevention Specialist
Safety & Health

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Workers' Comp Requirements



- Provide CSLB with a valid Certificate of Workers' Compensation Insurance
- All active **C-39 (Roofing)**, **C-8 (Concrete)**, **C-20 (HVAC)**, **C-22 (Asbestos Abatement)**, **D-49 (Tree Service)** licensees are required to carry workers' compensation insurance whether or not they have employees
- \$500 threshold for licensing requirement includes materials



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Worker Employment Status

California Labor Code §2750.5

- If a person performs services that;
- requires a license pursuant to **Chapter 9 of Division 3 of the Business and Professions Code**
 - and that person does not have that license,
- that person is considered an employee



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Submissions



Obtaining Coverage from State Fund

- Through a broker of your choice
- Direct from State Fund [Get a Quote on StateFundCA.com](https://www.StateFundCA.com)



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Underwriting Information

Business Operations	▪ Detailed description with job duties
Four Years Loss History	▪ Valued within 100 days of effective date
Licensing Information	▪ Current and active, or pending license to be received with 90 days of policy issuance
Ownership Information	▪ Legal entity type and owner/officer information
Payroll Information	▪ For the projected policy year and prior years by class code
Construction Industry Supplemental Application	▪ Includes type of work performed, classification evaluation, machinery & equipment used, claims and safety practices

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Dual Wage Classifications

Main Dual Wage Classifications

- Concrete
- Carpentry
- Roofing
- Painting
- Electrical
- Drywall
- Plumbing
- Excavation

wcirb.ca.gov



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Special Rules Classifications

- 5146 - Cabinetry & Trim N.O.C.
- 5107 - Doors & Windows

Both class codes specifically require that no framing or structural work be done in connection with the same job or project location.



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Other Class Code Rules & Exceptions



- Yard Operations
- Construction Clean Up
 - Miscellaneous Employees (laborers)
 - 5610 – Contractors-all construction subcontracted
 - 9008-Janitorial Services
- Solar, 3724 – Electrical Machinery (millwright class, not electrical class)
- Salespersons – 8742 (included in governing class if visiting job site)
- Incidental – included in main class code

WCRIB Classification Search Tool
WCRIB Article: *Construction Site Cleaning*

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Supervisors

Supervisors that are directly responsible for the day-to-day operations would generally be classified the same as those they are supervising.

5606 – Executive Level Supervisor

- all construction operations subcontracted to licensed contractors and no payroll developed under any construction classification
- two levels of supervision between the workers performing the actual labor



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Premium Audit

At the end of your policy period State Fund conducts an audit to review your payroll and ensure that you are charged the correct amount of premium for the policy term.

Premium audits also update any details that may affect coverage and rates.



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Audit Requirements

It's Part of Your Policy

- Your policy contractually requires annual audits
- State Fund conducts voluntary audits through payroll reporting requirements



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How Are Premium Audits Conducted?



Virtual Audit - You will receive a letter outlining what you need to submit to complete the audit. Audit documentation can be submitted via mail, fax, email, or online portal.



On Site Physical Audit – You will be contacted by one of our Field Auditors to schedule an appointment to visit your business or your accountant’s office to conduct the audit.

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State Fund Premium Audit Resources



Construction Industry Premium Audit Video



Premium Audit Information on StateFundCA.com

- Premium Audit Guides
- Instructional videos

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Payroll Records

- Time cards and segregated payroll records
Cannot use certified payroll records for high wage verification
- Salaried employees – calculated at 2,000 hours annually
- Pieceworkers – time records required
- Bonuses & commissions not paid each pay period are not included in hourly wage calculations



WEEKLY TIMESHEET		Mon	Tu
Start Time	9AM		9
End Time	5PM		6
	8-		

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Waivers & OCIP Payroll Segregation



- Waiver of Subrogation**
 - ✓ Track your payroll for each individual waiver
- OCIP**
 - ✓ Endorsement to your policy
 - ✓ Copies of OCIP administrator payroll reports are required

Construction Safety Orders Injury and Illness Prevention Program



- Title 8 California Code of Regulations
Section 1509
Injury and Illness Prevention Program (IIPP)**
- **Code of Safe Practices** posted at each job site location
 - Periodic **supervisor meetings** to discuss safety problems and accidents that have occurred
 - **Tailgate meetings** with crews at least every 10 working days

Cal/OSHA Required Postings

SAFETY AND HEALTH PROTECTION ON THE JOB

WHEN AN EMPLOYER MUST DO:
 Cal/OSHA poster "Safety and Health Protection on the Job" (Cal/OSHA 3162) must be posted in a conspicuous place or places that are safe and readable, in the workplace, in a language and in a format that is understandable by all employees. The poster must be posted in a conspicuous place or places that are safe and readable, in the workplace, in a language and in a format that is understandable by all employees. The poster must be posted in a conspicuous place or places that are safe and readable, in the workplace, in a language and in a format that is understandable by all employees.



Cal/OSHA Guidance for Construction Employers

- Cal/OSHA poster "Safety and Health Protection on the Job"
- Cal/OSHA required permits
- Emergency Phone Numbers
- Operating Permit for air tanks
- Code of Safe Practices
- Operating rules for industrial trucks
- Hazard Warning Signs

Free Safety and Health Resources

STATE FUND Safe At Work California

SAFETY BY INDUSTRY TOBACCO SAFETY UNIVERSITY™ IIPP BUILDER® SEMINARS RESOURCE LIBRARY NEWS SAFETY MEETINGS

Accessing our safety resources is easy!

- ✓ Go to [SafeAtWorkCA.com](https://www.safeatworkca.com)
- ✓ Explore our Safety Resource Center
- ✓ "Ask the Expert"
- ✓ Contact our Safety Support Unit at SafetySupport@scif.com

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COVID-19 Resources for Employers

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SAFETY BY INDUSTRY TOBACCO SAFETY UNIVERSITY™ IIPP BUILDER® SEMINARS RESOURCE LIBRARY NEWS SAFETY MEETINGS

<https://www.safeatworkca.com/topic/covid-19/>

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Construction Safety Resources

Monthly Safety Meetings:

- Over 200 Safety Meeting Topics
- Sign Up for Monthly Safety Meeting Emails
- Topics include Fall Prevention, Ladder Safety, and Construction Site General Safety

On demand webinars:

- Heat Illness (English and Spanish)
- Ergonomics in Construction
- Top 10 Most Cited Cal/OSHA Standards in Construction
- Wildfire Smoke

Available now on [SafeAtWorkCA.com](https://www.safeatworkca.com)

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State Fund's IIPP BuilderSM



Online tool to help you create a safety program tailored to your business
Available to all California employers

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State Fund's Online Safety UniversitySM

Free Safety Training for State Fund Policyholders

Occupational safety training with access to learning management dashboard

(800) 675-2667
or email us at SafetySupport@scif.com



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Thank you for making State Fund your carrier of choice

Visit us at StateFundCA.com

Customer Support Center:
(888) 782-8338

For safety resources visit SafeAtWorkCA.com

Safety Support Unit:
(800) 675-2667



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