

There are several recent statute revisions concerning insurance that will affect any construction project with Florida Community College.

Effective Jan. 1, 2004, it amends the exemption language to say that for construction classes, you can no longer get a Workers Compensation Insurance exemption as a sole proprietor or partner. The exemptions allowed for construction will be limited to three (3) corporate officers. It further restricts construction Workers Compensation Insurance exemptions to only three (3) officers on file with the Secretary of State with each one having a minimum of 10 percent stock ownership, and limits it to a maximum of three (3) exemptions regardless of the number of affiliated corporations.

Pursuant to Senate Bill 50A and FS Chapter 440:

During the contract term, the contractor at its sole expense shall provide commercial insurance of such a type and with such terms and limits as may be reasonably associated with the Contract, which, as a minimum, shall be: workers' compensations and employer's liability insurance in accordance with Chapter 440 of the Florida Statutes, with a minimum employers' liability limits of \$100,000 per accident, and \$100,000 per person, and \$500,000 policy aggregate. Such policy shall cover all employees engaged in any contract work. (FCCJ requires a minimum of \$5,000,000 policy aggregate for major construction projects. A lower policy aggregate will be required for small construction projects; however, it will never be lower than the State minimum of \$500,000.)

Employers who have employees who are engaged in work in Florida must use Florida rates, rules and classifications for those employees. In the construction industry, only corporate officers of a corporation or any group of affiliated corporations may elect to be exempt from workers' compensation coverage requirements. Such exemptions are limited to a maximum of three (3) per corporation and each exemption holder must own at least 10 percent of the corporation. Independent contractors, sole proprietors and partners in the construction industry cannot elect to be exempt and must maintain workers' compensation insurance.