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## **WORKERS' COMP UPDATE**

The rates that Florida businesses pay for workers' compensation insurance coverage will go down an average of 13.5%, effective January 1, 2006. These new rates will be used for new and renewal workers' compensation policies issued on or after January 1<sup>st</sup>.

The overall rate change broken down by industry group is as follows:

- Construction -11.3%
- Office & Clerical -14.4%
- Manufacturing -10.6%
- Goods & Services -14.1%
- Miscellaneous -17.1%

Please keep in mind that the reductions listed are averages for hundreds of class codes for different businesses; the rate reduction for your individual business may be higher or lower.

If you have any questions about the new rates and how they apply to your policy, please call your local insurance agent or your workers' compensation carrier. If you are insured with FUBA Workers' Comp, you will see the new rates on your renewal policy in April.

## **FLORIDA'S MINIMUM WAGE GOING UP AGAIN JANUARY 1<sup>ST</sup>**

By now, all employers should be aware that Florida's minimum wage will increase to \$6.40 an hour starting January 1, 2006. Due to an amendment to the state Constitution approved by voters in 2004, Florida now has a statewide minimum wage that must

be paid to all employees who were previously entitled to receive the federal minimum wage. This minimum wage will be re-calculated every year in September, with a new rate effective each January. The minimum wage will never go down; it can only go up or stay the same.

**Florida employers are not required to post any kind of notice or give employees any kind of information on the state minimum wage.**

However, as a benefit of your FUBA membership, we are providing the enclosed minimum wage poster for your information and convenience, free of charge.

You may post it at your workplace, but you are not required to do so. With so many companies trying to scare you into buying unnecessary posters, we thought you would like to have something on the new minimum wage that you can rely on being accurate and up-to-date.

If you did not get a minimum wage poster included with this newsletter, please call the FUBA offices and ask for the Membership Department.

## **HURRICANE WILMA: ANOTHER ROOFING UPDATE**

Florida Governor Jeb Bush has issued another Executive Order regarding roofing repair and installation after this season's hurricanes. This is probably the final Order on this subject, and it replaces all other Orders issued previously. Here are the details:

- Certified and Registered general, building, and residential contractors are still allowed to repair and install roofs made of wood shakes, asphalt or fiberglass shingles.
- The above provision is effective statewide, in all Florida counties, until January 3, 2006.

- Work started but not completed prior to January 3, 2006 may be finished.
- Effective November 4, 2005, local building departments are allowed to issue local specialty roofing licenses for the repair and installation of roofs, including but not limited to wood shakes, asphalt, or fiberglass shingles, tile, metal, and flat roofs.
- People who wish to apply for one of these local specialty roofing licenses must provide an affidavit of their competency from their original jurisdiction, proof of compliance with workers' compensation (if applicable), and public liability and property damage insurance as required by section 489.115(5)(a), Florida Statutes.
- These specialty roofing licenses will have a minimum processing fee and will be valid for 60 days from the date they are issued. Any work started under one of these specialty roofing licenses may be completed after the license expires.

Please remember: You must pay the appropriate workers' comp premiums for all roofing jobs you perform. The current premium for roofing work is \$37.58 for each \$100 of payroll associated with a roofing job. You should immediately inform your workers' comp insurance company if you start doing roofing work, and you should keep separate payroll records for all payroll associated with roofing jobs.

If you are insured with FUBA Workers' Comp and have questions about roofing work, please call our Policy Services Department at 888-262-4483.

## **DOES YOUR BUSINESS PROVIDE GOODS OR SERVICES TO LOCAL SCHOOLS?**

During the 2005 Legislative Session, lawmakers approved the Jessica Lunsford Act, which was intended to protect Florida's children through increased monitoring of sexual predators. The bill was in response to the murder of 9-year-old Jessica Lunsford by a convicted sex offender who did construction work at her school. The law requires anyone who has access to school grounds when students are present to undergo both state and federal

background checks and be fingerprinted by September 1, 2005. The definition of "school" includes traditional public schools, charter schools, and alternative schools. The law applies to all vendors, contractors, delivery personnel, and anyone else on school property at any time students are also there.

Subcontractors are also included, even if they are only performing work for a general contractor and do not have a direct contract themselves with the school district. This law also applies to contractors who are building new classrooms on an existing campus, even if separated from students by a fence and held to a "no fraternization" rule. Additionally, school districts are allowed to make their contracts subject to the vendor having all his/her employees pass the appropriate screening. If the contractor (or any employee) fails the screening, the school district can consider that a material breach of the contract and impose damages on the contractor.

Each local school district is enforcing different rules and fees for the Jessica Lunsford Act. This piecemeal approach has led to confusion, inefficiency, and red tape.

Some of the existing problems are:

- Different costs per county for background screening (anywhere from \$60 to \$90);
- No reciprocity between counties for employees who work in multiple counties, meaning businesses have to pay these fees to each school district they work in;
- No consistency on what disqualifies a vendor from entering school property (i.e., some school districts have banned construction workers or others with criminal pasts that are not related to sexual offenses);
- Even contractors and vendors with very limited time on school grounds are still subject to background screening and fingerprinting; and
- There is no way to prove you or your employees have been cleared.

FUBA is working with the Legislature to have these and other concerns addressed, possibly in this month's Special Session. The three main issues to be addressed are: (1) having the screening and fingerprinting apply only to those vendors with direct contact or unsupervised contact with students; (2) extending the deadline to have your employees screened and fingerprinted to April 2006, and (3) allowing reciprocity for those who work in multiple counties and have been cleared in one county. Please watch future edition of ISSUES for updates.