

# Changes to Workers' Compensation Law

Senate Bills 50A and 16E (2003 Legislative Session) revised the workers' compensation laws. A sole proprietor was required to incorporate or form a limited liability company (LLC) by January 1, 2004, to maintain his or her exemption from purchasing coverage. Some frequently asked questions regarding how the change affects CILB licensees are set forth below.

**Q:** Do I need to show proof of workers' compensation coverage to obtain a contractor's license?

**A:** A licensee must either provide the board office proof of workers' compensation coverage or provide proof that he/or she is exempt from coverage as provided in Chapter 440, Florida Statutes (Workers' Compensation Statutes).

**Q:** What effects do Senate Bills 50A and 16E have upon my license?

**A:** It is a violation of Section 489.129, Florida Statutes, to perform contracting in a name that does not appear on your license. If you incorporate or form an LLC to maintain your workers' compensation exemption, you must apply for a **change of status** to substitute the corporate name on your license.

**Q:** Do I need any additional licensure?

**A:** You must also apply for a **qualified business license** (also known as a certificate of authority). This requirement is contained in Section 489.119(2), Florida Statutes.

**Q:** When is the deadline for obtaining a change of status and QB License?

**A:** Pursuant to Senate Bill 16E, the deadline to obtain approval for a change of status and qualified business license is **July 1, 2004**. All applications must be postmarked no later than that date.

**Q:** How much does the change of status and QB license cost?

**A:** The change of status costs \$50, and the QB license costs \$59.

**Q:** Where can I obtain those applications?

**A:** Click on the following website:

[www.myflorida.com/dbpr/pro/cilb/forms.html](http://www.myflorida.com/dbpr/pro/cilb/forms.html)

Select "**Change of Status from Individual to Qualifying Business Application Package**." Both the change of status and qualified business license applications are included in the package. [Click here for hints for completing the application.](#)

**Q:** What if I want to maintain my individual license and also form a corporation or LLC?

**A:** If you wish to qualify a corporation and maintain your individual license at the same time, you must complete the “Qualifying Additional Business Organization Application Package.” This package can also be obtained by clicking on the previously mentioned website. **HOWEVER, PLEASE NOTE THAT THE ADDITIONAL BUSINESS APPLICATION REQUIRES THE APPLICANT TO APPEAR BEFORE THE CONSTRUCTION INDUSTRY LICENSING BOARD. THERE IS NO GUARANTEE THAT YOU WILL BE ABLE TO APPEAR BEFORE THE BOARD IN TIME TO MEET THE JULY 1 DEADLINE.**

Therefore, you may wish to consider applying for a change of status now and filing a subsequent application for additional business at a later date.

**Q:** What if I do not obtain approval for a change of status and a qualified business license by July 1, 2004?

**A:** If you fail to obtain approval for a change of status and qualified business license by July 1, 2004, you will be in violation of Chapter 489, F.S., and subject to fines or other disciplinary action. Further, local building departments will no longer be obligated to issue building permits to you.

**Q:** Can I obtain building permits pending approval of my applications for change of status and QB license?

**A:** SB 16E provides that licensees cannot be denied building permits solely because a change of status and qualified business license have not been approved prior to July 1, 2004.

**Q:** Why is the CILB requiring me to incorporate or form an LLC?

**A:** The requirements resulted from SBs 50A and 16E, and were not initiated by the CILB.

**Q:** If I have specific questions about workers’ compensation, whom should I call?

**A:** You can call the Florida Department of Financial Services Division of Workers’ Compensation at 800.742.2214.