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STATE OF NEW YORK  
WORKERS' COMPENSATION BOARD  
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To all Code Enforcement Officials, Building Departments, and Municipal Entities:

Effective January 18, 1999, Section 125 of the General Municipal Law requires that any individual applying for a building permit must prove to the building department that he/she is in compliance with the mandatory coverage provisions of the Workers' Compensation Law before the building permit is issued.

### General Background

Under Section 57 of the Workers' Compensation Law, businesses listed as the general contractors on building permits are required to submit proof of compliance with the mandatory coverage provisions of the Workers' Compensation Law to the building department before a building permit is issued. Section 125 of the General Municipal Law is specifically targeted at ensuring that all applicants who list themselves as the general contractors on the building permit are in compliance with the mandatory coverage provisions of the Workers' Compensation Law.

For homeowner applicants, the instruction manual includes a link to form BP-1 Affidavit of Exemption to Show Specific Proof of Workers' Compensation Coverage for a 1, 2, 3 or 4 Family, Owner-occupied Residence. The law requires homeowners to provide proof of workers' compensation compliance when applying for a building permit. If the homeowner qualifies for an exemption, the homeowner must either complete this form and file it with the local building department; or the homeowner must complete Form CE-200 and file it with the local building department.

### Implementing Section 125 of the General Municipal Law

#### 1. General contractors and Business Owners

Businesses listed as the general contractors on building permits, must prove that they are in compliance with the mandatory coverage requirements and also Section 57 of the Workers' Compensation Law (WCL) by producing ONE of the following forms indicating that they are:

- insured (Form C-105.2 or U-26.3 – the business's insurance carrier will send this form to the building department upon the business's request) All private carriers and their licensed insurance agents are authorized to issue the form C-105.2 as their Certificate of NYS Workers' Comp Insurance. The State Insurance Fund uses the U-26.3 form as its Certificate of NYS Workers' Compensation Insurance.
- self-insured (Form SI-12 -- Certificate of Workers' Compensation Self-Insurance (the business calls the Board's Self-Insurance Office at 518-402-0247), **OR** Form GSI-105.2 -- Certificate of Participation in Workers' Compensation Group Self-Insurance) (the business's Group Self-Insurance Administrator will send this form to the government entity upon request).
- exempt (Form CE-200 – {Form CE-200 is available on the Board's website, [www.wcb.state.ny.us](http://www.wcb.state.ny.us), under the heading "Forms." Paper applications for this form are available by writing or visiting any Customer Service Center at any District Office of the Workers' Compensation Board.}

Any residence that is not a 1, 2, 3, or 4 Family, Owner-occupied Residence is considered a business (income or potential income property) and must prove compliance by filing one of the above forms. (Please note: ACORD forms are **NOT** acceptable proof of workers' compensation coverage!)

# PRESENTATION OVERVIEW

## WORKERS' COMPENSATION LAW -- SECTIONS 57 AND 220 (8)

1. Definition of Workers' Compensation and Disability Benefits
  - ♦ WC covers **job** related accidents, injuries, illnesses -- Benefits include all related medical expenses plus 2/3 average weekly wage up to \$500 per week effective 7/1/07, \$550 per week effective 7/1/08, \$600 per week effective 7/1/09 and 2/3 of the State's average weekly wage effective 7/1/10 and thereafter.
  - ♦ DB covers **non-job** related accidents, injuries, illnesses -- Benefits 1/2 average weekly wage up to \$170 per week for maximum of 26 weeks; **NO** medical expenses.
2. How this insurance benefits both employers and employees
  - ♦ Employees -- No fault, "prompt payment" of benefits
  - ♦ Employers -- Sole remedy coverage -- "eliminates" lawsuits and personal liability
3. Why municipal or State employees have to check on this insurance coverage
  - ♦ WCL §57 & §220 (8) requirement
  - ♦ Part of public protection responsibilities
4. What happens if an employer is supposed to have this coverage and doesn't
  - ♦ Employer personally liable for full compensation and medical claim payments; penalties; administrative expenses; and possible criminal charges.
  - ♦ Employee initially paid by Uninsured Employers' Fund -- requires a lengthy process before compensation or medical bills are paid.

### 5. How municipal or State employees check on this insurance coverage

(Please note: businesses must supply appropriate form(s) once per year)

- WC & DB ♦ **CE-200**, Certificate of Attestation of Exemption from NYS Workers' Compensation and/or Disability Benefits Coverage; **OR**
- WC ♦ **C-105.2** -- Certificate of Workers' Compensation Insurance (the business's insurance carrier will send this form to the government entity upon the business's request) **PLEASE NOTE:** The State Insurance Fund provides its own version of this form, the U-26.3; **OR**
- WC ♦ **SI-12** -- Certificate of Workers' Compensation Self-Insurance, **GSI-105.2** -- Certificate of Participation in Workers' Compensation Group Self-Insurance  
(Please note: **ACORD forms are NOT acceptable proof of workers' compensation coverage!**)
- DB ♦ **DB-120.1** -- Certificate of Disability Benefits (the business's insurance carrier will send this form to the government entity upon request); **OR**
- DB ♦ **DB-155** -- Certificate of Disability Benefits Self-Insurance.

### 6. Out-of-state employers need specific NYS workers' compensation coverage if they have any employees working in New York State.

An employer has a full, statutory NYS workers' compensation insurance policy when New York is listed in Item 3A on the Information Page of the employer's workers' compensation insurance policy.

Disability benefits coverage is required if the business employs individuals in NYS for more than 30 days in a calendar year.

### 7. General Contractors/Subcontractors

- ♦ To obtain a permit, contract or license from a government agency, **general contractors MUST carry a workers' compensation insurance policy if they are hiring subcontractors.**