



**California Legislative Conference of the
Plumbing, Heating and Piping Industry**

1127 11th Street, Suite 747
Sacramento, CA 95814
Telephone: (916) 443-3114
Facsimile: (916) 442-6437

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TO: CLC Board of Directors

FROM: Eddie Bernacchi

RE: Workers Compensation Dual Wage Verification

As discussed at the CLC board meeting and reported in the CLC Updates, the Workers Compensation Insurance Rating Bureau (WCIRB) created new rules regarding dual wage verification for workers compensation policies. It is important to make sure that all CLC member contractors are aware and are complying with the changes to the rules relating to workers compensation dual wages verification.

In California, construction and erection operations are divided into two separate workers compensation rate classifications based on the employees hourly wage rate. Under the WCIRB rules, contractors who wish to have their payroll placed in the highest wage classification (lowest rated class) and pay the lower rate **must document the number of hours worked by each employee with time cards or time sheets that accurately show start and stop times in addition to the total hours worked.**

The Board had additional questions relating to how meal periods should be reported. According to the WCIRB, while contractors are required to keep records showing the employees' start and stop times throughout the workday, employers are not required to record unpaid meal periods. This practice is compliant with DIR Wage Order No. 16 when the meal period represents a time in which all of the employer's job site operations cease for a uniform break period. Therefore, if the employees' unpaid meal period is not recorded and if the employer's operations ceased for a uniform meal period, then the total hours worked may be adjusted as necessary to reflect the non-paid time in order to determine the regular hourly wage. In addition, authorized rest periods are not required to be recorded.

Please take a moment to review the WCIRB "spotlight" bulletin on this topic which can be viewed at the following website:

https://wcirbonline.org/wcirb/spotlight/spotlight_2009_04.html