



**Workers' Compensation Insurance
BUSINESS AND PROFESSIONS CODE UPDATE
December 2022**

**TO: ALL REGISTERED COMPANIES AND BRANCH OFFICES AND ALL COMPANIES
AND BRANCH OFFICES SEEKING NEW REGISTRATION – ACTION REQUIRED**

Effective January 1, 2023, Business and Professions Code section 8693 requires all California pest control companies to submit proof of workers' compensation insurance coverage or file an exemption from workers' compensation, as a condition of receiving or maintaining a Company Registration with the Structural Pest Control Board (Board).

What current Company Registrations, and new or reinstating Company Registrations will need to do to meet regulatory compliance:

If you currently have one or more employees:

Submit to the Board by January 1, 2023, a current and valid Certificate of Workers' Compensation Insurance as evidence of workers' compensation coverage.

If you have no employees:

You may submit to the Board by January 1, 2023, a completed Statement of Exemption from Workers' Compensation form (form 43B-5), to certify that the company does not employ anyone in a manner that is subject to the workers' compensation laws of California, or is not otherwise required to provide for workers' compensation insurance coverage under California law.

You may mail, email or fax the documents to the Board:

- **Mail:** SPCB, 2005 Evergreen Street, Ste 1500, Sacramento, CA 95815
- **Fax:** (916) 263-2469
- **Email:** pestboardinsurance@dca.ca.gov

Willful or deliberate disregard and violation of workers' compensation insurance laws constitutes a cause for disciplinary action against the registered company and the qualifying manager(s).

If you have any questions, please contact the Board's Licensing Unit at (916) 561-8704.

If you are unsure of your obligations under the California Labor Code and the California Code of Regulations, please contact:

The State of California Department of Industrial Relations
Division of Workers' Compensation
(909) 383-4522

Business and Professions Code section 8693

(a) The board shall not issue, reinstate, or continue to maintain any company registration under this chapter unless the applicant or existing company has filed a current and valid Certificate of Workers' Compensation Insurance as evidence of current and valid Workers' Compensation Insurance coverage. A Certificate of Workers' Compensation Insurance shall be issued and filed, electronically or otherwise, by an insurer duly licensed to write workers' compensation insurance in this state. If reciprocity conditions exist, as provided in Section 3600.5 of the Labor Code, the registrar shall require the information deemed necessary to ensure compliance with this section.

(b) This section does not apply to a registered company that has no employees provided that a statement is filed with the board on a form prescribed by the registrar prior to the issuance, reinstatement, or continued maintenance of a company registration, certifying that the registered company does not employ any person in any manner so as to become subject to the workers' compensation laws of California or is not otherwise required to provide for workers' compensation insurance coverage under California law.

(c) (1) The insurer, including the State Compensation Insurance Fund, shall report to the registrar the following information for any policy required under this section: company name, registration number, policy number, dates that coverage is scheduled to commence and lapse, and cancellation date if applicable.

(2) A workers' compensation insurer shall also report to the registrar a registered company whose workers' compensation insurance policy is canceled by the insurer if all of the following conditions are met:

(A) The insurer has completed a premium audit or investigation.

(B) A material misrepresentation has been made by the insured that results in financial harm to the insurer.

(C) No reimbursement has been paid by the insured to the insurer.

(d) (1) Willful or deliberate disregard and violation of workers' compensation insurance laws constitutes a cause for disciplinary action by the registrar against the registered company and the qualifying manager or managers.

(2) The provisions of Section 8553 shall not apply to any violation of this section.