

N E W S R E L E A S E

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California Labor Commissioner's Office Reminds Employers that Valid Workers' Compensation Insurance is Required

Oakland—The California Labor Commissioner's Office reminds employers they must maintain valid workers' compensation insurance coverage for all workers, including part time employees.

If the Labor Commissioner's Office finds an employer does not have valid coverage for its workers, it can cite the employer \$1,500 per employee not covered by valid workers' compensation insurance, and issue a stop order prohibiting work until valid insurance is acquired. The employer may be required to pay employees' lost wages during the work stoppage. Violation of the stop order could result in additional penalties up to \$10,000 and misdemeanor charges.

The Labor Commissioner's Office advises employers who purchased insurance with American Labor Alliance and CompOne USA that these companies are not licensed to sell insurance in California. The California Department of Insurance [in December imposed a \\$4.3 million penalty on the companies](#) for selling workers' compensation and liability policies to employers of farmworkers without being properly licensed.

Additional details on [workers' compensation insurance requirements, including FAQs](#), are posted online. Information on insurance [companies licensed to sell workers' compensation insurance](#) in California and [an online rate comparison](#) of the top 50 workers' compensation insurers is available on the Department of Insurance website.

The Department of Industrial Relations' Division of Labor Standards Enforcement, or the [California Labor Commissioner's Office](#), combats wage theft and conducts on-site inspections to investigate and enforce compliance with minimum wage and other California labor laws. Its wide-ranging responsibilities include retaliation complaint investigations, public works enforcement, licensing and registration, as well as multilingual labor law education and outreach for workers and employers.

Employees with work-related questions or complaints may contact DIR's Call Center in English or Spanish at 844-LABOR-DIR (844-522-6734).

Members of the press may contact Erika Monterroza or Paola Laverde at (510) 286-1161, and are encouraged to [subscribe to get email alerts](#) on DIR's press releases or other departmental updates.

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The [California Department of Industrial Relations](#), established in 1927, protects and improves the health, safety, and economic well-being of over 18 million wage earners, and helps their employers comply with state labor laws. DIR is housed within the [Labor & Workforce Development Agency](#). For general inquiries, contact DIR's Call Center at 844-LABOR-DIR (844-522-6734) for help in locating the appropriate [division or program](#) in our department.