



# Longshore Insurance Coverage Payroll, Mod and Rules

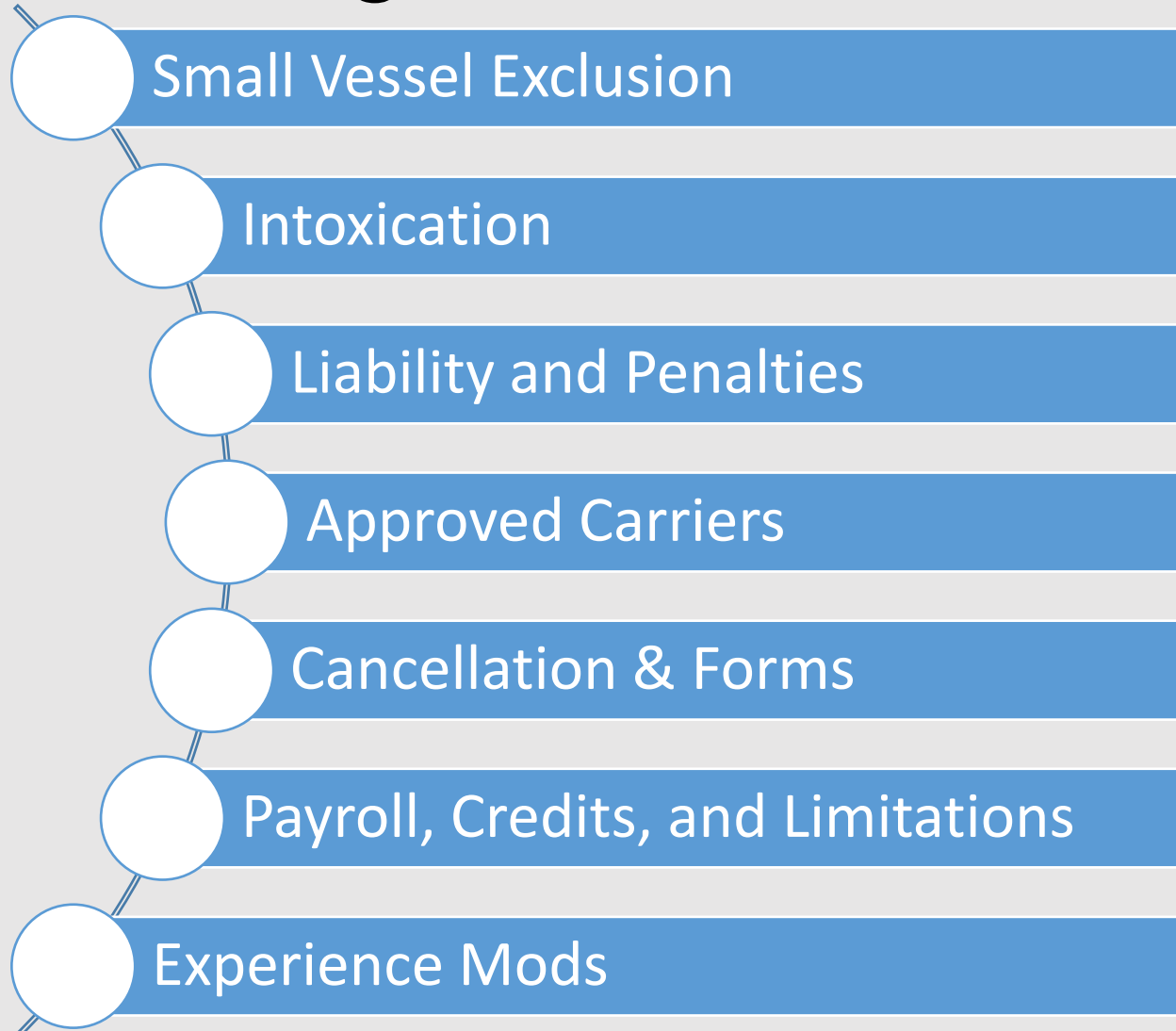
5 August 2020

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# Longshore Act - Rules



# Longshore Act Small Vessel Exclusion

Only adjoining area

Barge < 900 tons

Tug, Supply, Fishing < 1600 gross tons

**Pre-Certification only**



# Longshore Act Intoxication

## Section 903 (c)

No compensation shall be payable if the injury was occasioned *solely* by the intoxication of the employee or by the willful intention of the employee to injure or kill himself or another.



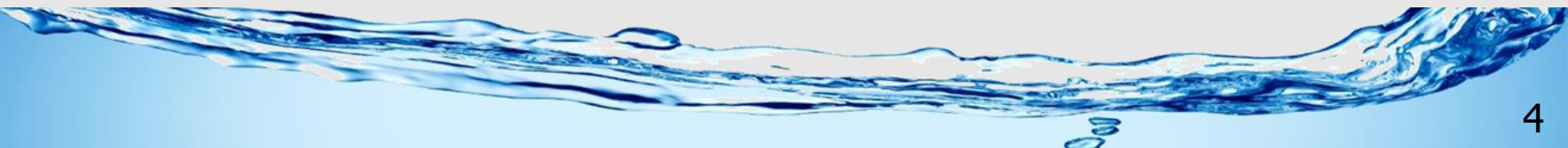
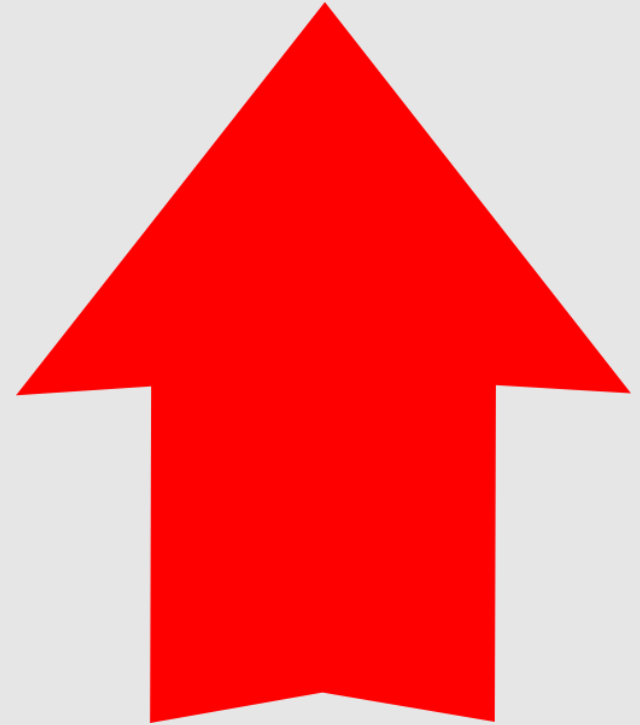
# Longshore Act Liability for Compensation

## Section 4 (A)

Every employer shall be liable for the payment of compensation

If employer is a subcontractor

If they fail to secure the payment of compensation the contractor may be liable for compensation.



# Longshore Act

## Penalties for Not Carrying Coverage

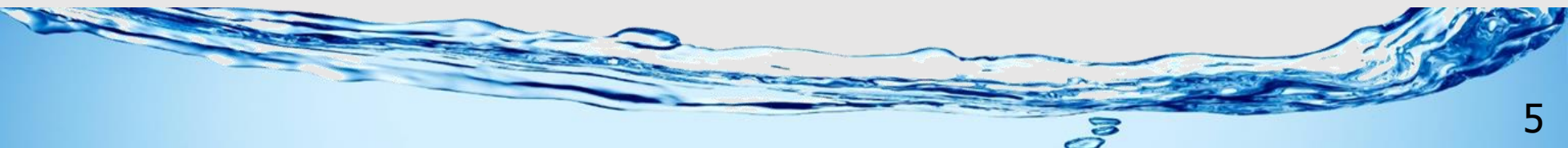
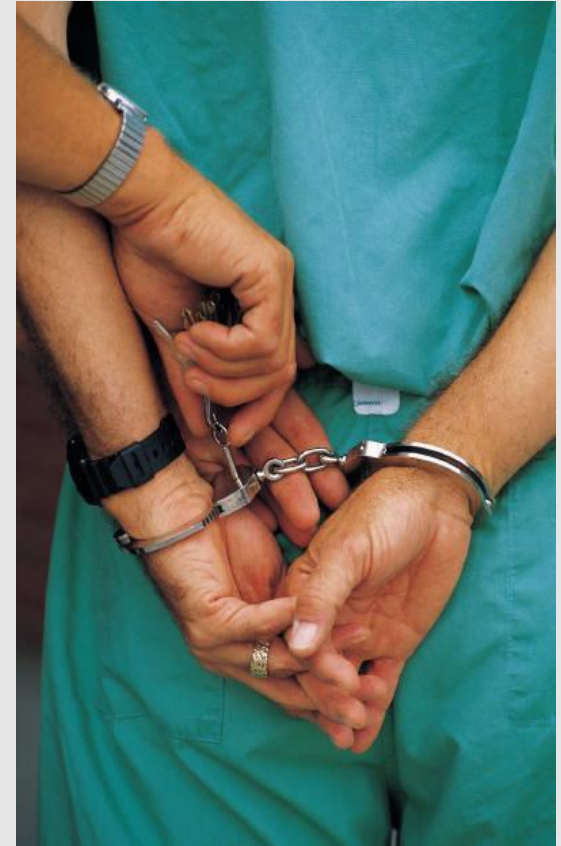
### Section 38 (a)

Fine of not more than \$10,000, or by imprisonment for not more than one year, or by both

Where employer is a corporation, the president, secretary, and treasurer

- Severally liable for such fine or imprisonment

- Severally personally liable for compensation



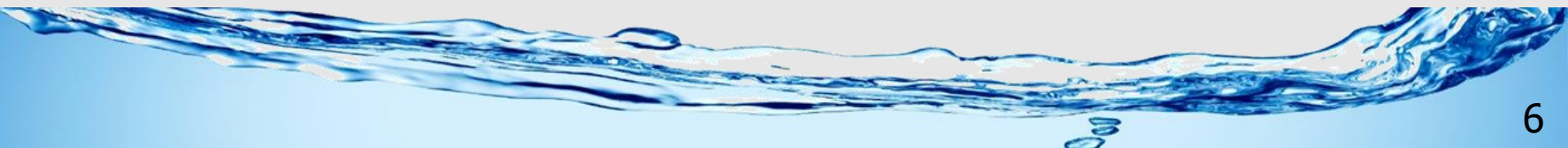


# Longshore Act

## Penalties for Not Carrying Coverage

- b) Any employer who knowingly transfers, sells, encumbers, assigns, or in any manner disposes of, conceals, secretes, or destroys any property belonging to such employer, after one of his employees has been injured within the purview of this act, and with intent to avoid the payment of compensation under this act to such employee or his dependents, shall be guilty of a misdemeanor and, upon conviction thereof, shall be punished by a fine of not more than \$10,000, or by imprisonment for not more than one year, or by both such fine and imprisonment; and in any case where such employer is a corporation, the president, secretary, and treasurer thereof shall be also severally liable to such penalty of imprisonment as well as jointly liable with such corporation for such fine.
- c) This section shall not affect any other liability of the employer under this act.

Section 38



# Longshore Act

## Security for Compensation

### Section 32 (A)

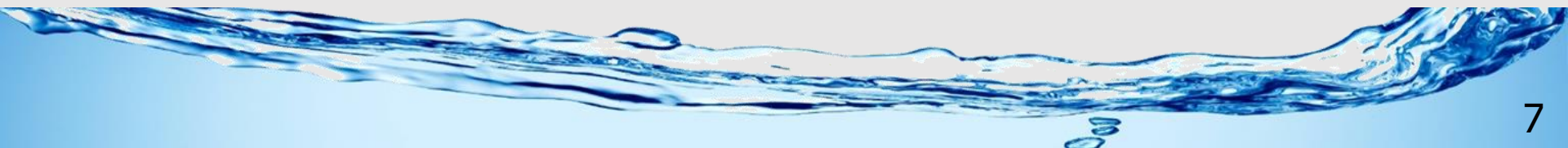
Every employer shall secure the payment of compensation under this act-

By insuring with any stock company or mutual company or association, ...while such person or fund is authorized

- (a) Under the laws of the united states or of any state, to insure workmen's compensation, and
- (b) By the secretary, to insure payment of compensation under this act

<http://www.dol.gov/owcp/dlhwc/lscarrier.htm>

Approx. 350 “approved” carriers – how many writing?





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## Division of Longshore and Harbor Workers' Compensation (DLHWC)

### Longshore Authorized Carriers and Self-insured Employers

The tables below show insurance carriers and self-insured employers that are currently authorized to write coverage under the Longshore and Harbor Workers' Compensation Act (LHWCA, depicted under ACTS COVERED as LS) and/or extensions. In very few cases an authorization date under an extension to the LHWCA (extensions include The Defense Base Act (DB), The Outer Continental Shelf Lands Act (OC), The Non-Appropriated Fund Instrumentalities Act (NF) and/or District of Columbia Workers' Compensation Act (DC)) will differ from the date shown.

The first table below shows authorized insurance carriers, the second table shows authorized self-insured employers. To find the second table, either scroll down the page or click on [authorized self-insured employers](#).

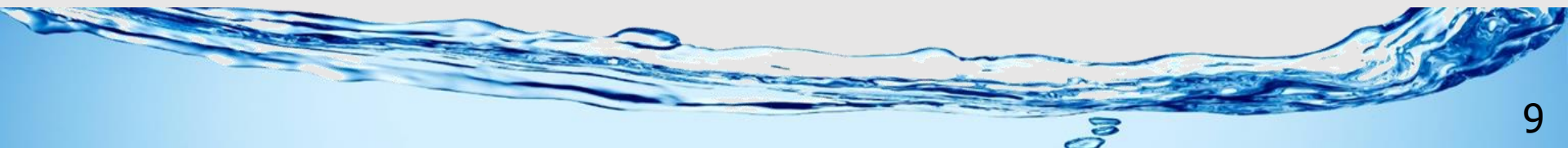
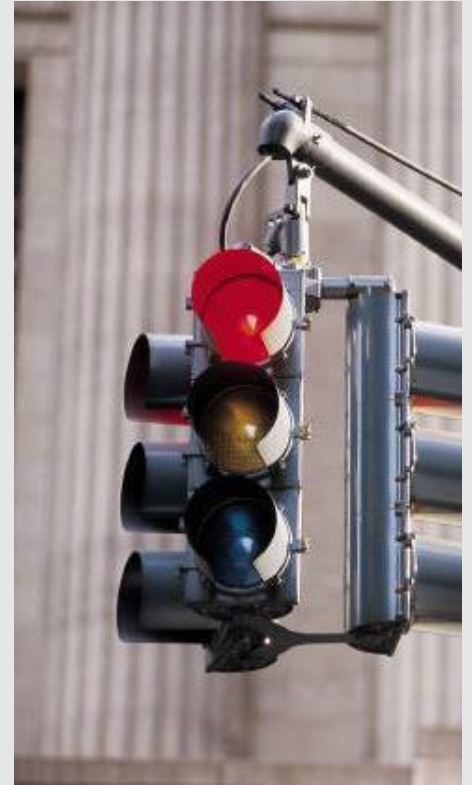
If there are any questions regarding authorization dates or any other specific information about a carrier/self-insured employer, please contact the Longshore National Office (202) 513-6809.

#### Longshore Authorized Carriers and Self-insured Employers

Authorized Insurance Carriers	Acts Covered	Authorization Date
Acadia Insurance Company	LS OC DB NF	04/01/1995
Accident Fund General Ins. Co.	LS	08/03/2010
Accident Fund Insurance Company of America	LS DB NF	04/15/1997
Accident Fund National Ins. Co.	LS	08/03/2010
ACE American Insurance Company	LS OC DB NF DC	10/29/1946

# Longshore Act Cancellation of Coverage

No contract or policy of insurance issued by  
A carrier under this act shall be canceled  
prior to the date specified in such contract or  
policy for its expiration until at least **THIRTY**  
**DAYS** have lapsed after A notice of  
cancellation has been sent to the deputy



# Longshore Act Coverage Endorsement

**WC 00 01 06 A**

This endorsement applies only to work subject to the longshore and harbor workers compensation act in a state shown in the schedule.

The policy applies to that work as though that state were listed in item 3.A. of the information page.

WORKERS COMPENSATION AND EMPLOYERS' LIABILITY INSURANCE POLICY

FORM NUMBER  
WC-00-01-06A

### LONGSHORE AND HARBOR WORKERS' COMPENSATION ACT COVERAGE ENDORSEMENT

This endorsement applies only to work subject to the Longshore and Harbor Workers' Compensation Act in a state shown in the Schedule. The policy applies to that work as though that state were listed in item 3.A. of the Information Page.

General Section C. Workers Compensation Law is replaced by the following:

**C. Workers Compensation Law**  
Workers Compensation Law means the workers or workmen's compensation law and occupational disease law of each state or territory named in item 3.A. of the Information Page and the Longshore and Harbor Workers' Compensation Act (33 USC Sections 901-950). It includes any amendments to those laws that are in effect during the policy period. It does not include any other federal workers or workmen's compensation law, other federal occupational disease law or the provisions of any law that provide nonoccupational disability benefits.

Part two (Employers Liability Insurance), C. Exclusions, exclusion 8, does not apply to work subject to the Longshore and Harbor Workers' Compensation Act.

State  
Florida

Schedule

Longshore and Harbor Workers' Compensation Act Coverage Percentage  
286%

The rates for classifications with code numbers not followed by the letter "F" are rates for work not ordinarily subject to the Longshore and Harbor Workers' Compensation Act. If this policy covers work under such classifications, and if the work is subject to the Longshore and Harbor Workers' Compensation Act, these non-F classification rates will be increased by the Longshore and Harbor Workers' Compensation Act Coverage Percentage shown in the Schedule.

FLORIDA

This endorsement changes the policy to which it is attached and is effective on the date issued unless otherwise stated.  
(The information below is required only when this endorsement is issued subsequent to preparation of the policy.)

Endorsement : active  
Policy No.  
Insured  
Policy Period  
Issued on  
(Ed. 4-92)

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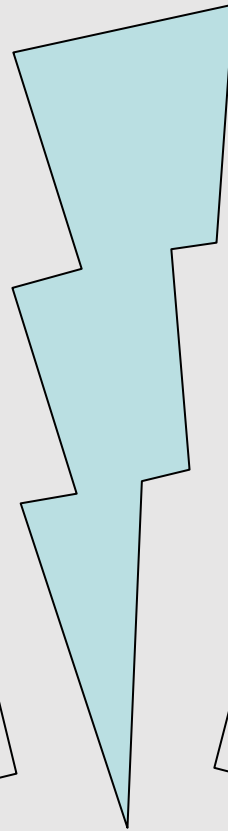
Countersigned by \_\_\_\_\_  
Endorsement No. 8



# Longshore Act Split Policies

Workers  
Comp

Longshore  
&  
OCSLA





# Longshore Act Payroll

Payroll allocation

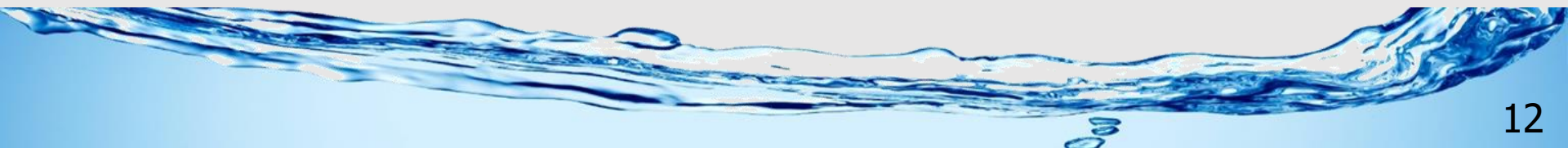
Payroll splitting

Payroll limitations

Overtime deductions

NCCI – yes except stevedores

Others – ???



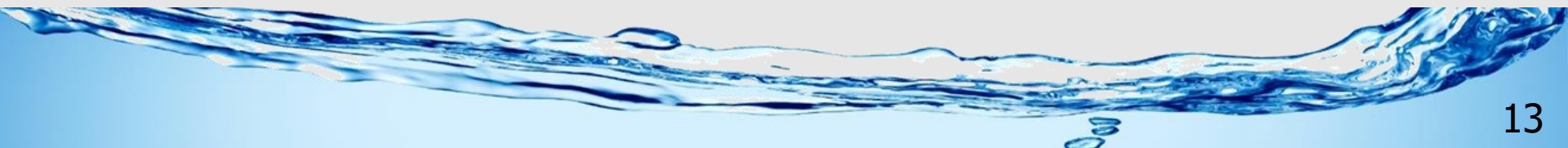
# Longshore Act Credits

Drug

Safety

Contractors

Premium discount





# Longshore Act Officer & Owner

Exclusions – No Longshore Duties

Payroll Limits



# Longshore Act

## NCCI vs. Non-NCCI Modifiers

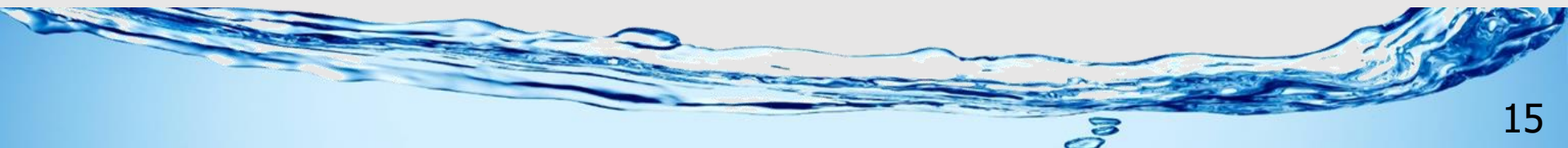
Mutual

Do not report to rating bureau.

Thus Longshore payroll and losses  
not in MOD

Washington – none

California - odyssey

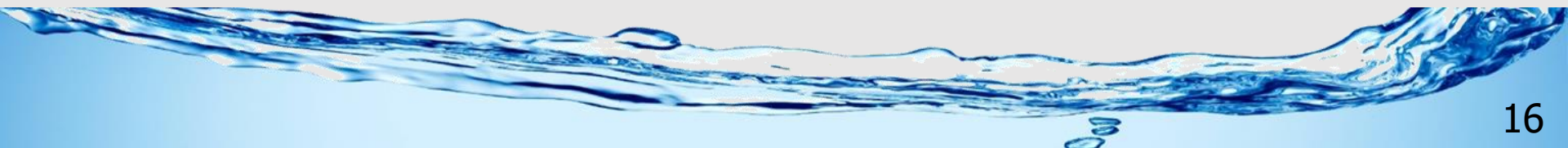


# Longshore Act

## Compare Carrier Options

### Typical Structure Review

	TRADITIONAL	MUTUAL
Rating	NCCI	Composite
Reports Longshore to NCCI for Mod	Yes	No
Policies	WC & Longshore	Longshore Only
Drug/Safety Credits	Yes	No
Assessable	No	Yes
Joint & Several Liability	No	Yes
"Excluded Remuneration"	Excluded	Included
DOL Assessments	Included	Additional
Payroll Limits	Applicable	None



# Longshore Act - Rules

