



Trucking Industry Workers' Compensation Questionnaire

This questionnaire is used to perform an underwriting evaluation of all motor carriers (trucking risks) that apply for State Compensation Insurance Fund (State Fund) workers' compensation (WC) coverage, or are current State Fund policyholders.

This questionnaire must be completed and signed by the Employer (Applicant), not the insurance broker or agent. Please retain a copy for your records.

The purpose of this questionnaire is to provide information about your operation, and about key characteristics of the relationship between your firm and the drivers who operate on your behalf (whether you regard them as Employees or as Independent Contractors / Sub-Haulers / Owner-Operators). Based upon the responses provided by you to this questionnaire and related materials (Sub-Haul Agreement, etc.) that you provide or that are obtained from other sources, a determination of the premium estimate will be made for the quote / policy, in accordance with the WCIRB Unit Statistical Reporting Plan (USRP) and California law. A final premium audit of your policy will be conducted after policy expiration to adjust the premium base estimates to actuals, in accordance with the WCIRB Unit Statistical Reporting Plan (USRP) and California law.

Effective Date (Inception Date): _____

Company Name of Employer:
(Applicant) _____

List all Tradenames or DBAs:

Mailing Address:

Legal Entity Type (Select): Sole Proprietor Spouse & Spouse (incl. RDP)
 Corporation Limited Liability Company
 Partnership Joint Venture

Year your company was established: _____

Tax ID: FEIN #: _____ SEIN #: _____ SSN #: (last four digits) _____



Operate as: Common Carrier Interstate Intrastate (CA only)
 (Select all Freight Forwarder Trucking Broker Port / Intermodal
 that apply) Construction Commodities & Equipment Standard Freight

LICENSES (List all):

USDOT #: _____

 MC #: _____

 DMV / _____
 MCP CA #: _____

TRUCKS:

Total # of trucks operated by you, or on your behalf:

- # of trucks operated by your **Employees**: _____
 (under all of your License #s)
- # operated by **Independent Contractors**: _____
 (on your behalf – **under your License #**)
- # operated by **Independent Contractors**: _____
 (on your behalf – **under their own CA/USDOT #**)
 [do not include trucks where you are only a broker]

TOTAL # OF TRUCKS: 0

Please estimate your annual **Employee** payroll and headcounts for the next 12 months:

<u>WC Classification Code:</u>	<u># of Full-time Employees:</u>	<u># of Part-time Employees:</u>	<u>Total Estimated Annual Payroll:</u>
7219 – Trucking Firms – NOC (incl. drivers, mechanics & terminal Employees)			
7198 – Parcel Delivery			
2727 – Log Hauling			
7360 – Freight Forwarders (does not include the hauling of freight)			
8291 – Warehouses – cold storage			
8292 – Warehouses – NOC			
8293 – Warehouses - furniture			
8810 – Clerical Office Employees			
8742 - Salespersons			



Workers Compensation Premium Determination (Four (4) Categories of Drivers): TO BE READ BY ALL APPLICANTS

There are four categories (types) of drivers that are evaluated on all trucking risks, in order to assess the proper portions of payroll and ‘Cost of Hire’ to be included in the premium base for your trucking firm:

Driver Category:	Characteristics of such drivers:	Portion of Payroll (or Cost of Hire) to Include in the Premium Base:
1. Drivers who are <u>Employees</u> of your trucking firm:	<ul style="list-style-type: none"> • Drivers who <u>receive W-2s from your trucking firm</u>. • Drivers who <u>drive trucks owned by your trucking firm</u> (or entities in which you have a financial interest) are considered Employees regardless of any other factors, including how they are paid. 	100%
2. Drivers who <u>lease their vehicle</u> from your trucking firm and drive on your behalf:	<ul style="list-style-type: none"> • Drivers who <u>lease their vehicle from your trucking firm</u> (or entities in which you have a financial interest) are considered Employees regardless of any other factors, including how they are paid. • Such drivers will be considered Employees even if their sub-haul frequency on behalf of your trucking firm is sporadic / infrequent. • In such instances, the driver can be the DMV-registered owner, but the lienholder will be your trucking firm (or your financial interest). 	100%
3. Drivers who own their vehicle , but over whom you demonstrate a ‘control of manner and means’ in how they operate while driving on your behalf:	<ul style="list-style-type: none"> • Drivers’ relationship with your trucking firm has strong characteristics of an “Employer-Employee” type relationship, as evidenced by factors demonstrating that <u>you</u> exercise certain control over the manner and means by which the drivers operate on your behalf. • Where an “<u>employer-employee</u>” type relationship is demonstrated with such Sub-Haulers, the WCIRB’s rule (USRP, Part 3, Section V, Rule 4) would be applicable, and therefore 25% of the ‘Cost of Hire’ will be included as estimated payroll in the premium base for your WC quote/policy. 	25% *
4. Drivers who own their vehicle , and are <u>truly independent</u> from your trucking firm while driving on your behalf:	<ul style="list-style-type: none"> • Drivers whose relationship with your trucking firm is truly independent, as evidenced by factors demonstrating that <u>the drivers</u> predominantly control the manner and means by which they operate on your behalf, and that you do not exercise a span of control over the manner and means in which they operate on your behalf. 	0%

* (“The 25% Rule”) - pursuant to the California Workers Compensation Uniform Statistical Reporting Plan

USRP, Part 3, Section V, Rule 4 – Drivers & Their Helpers Payroll - published by the WCIRB, for calculating the payroll of Employee drivers who own their vehicles:

Drivers and their helpers shall mean employees whose principal duties are performed in connection with the operation of motor vehicles. When drivers own or furnish vehicles such as, but not limited to, log trucks, tractor/trailer rigs, furniture vans, and bobtail trucks that have a gross vehicle weight rating of 10,000 pounds or more and pay the operating expenses in connection therewith, no less than twenty-five percent (25%) of the total amount paid for the hire of such vehicles and their operating crews shall be deemed to be the payroll of such drivers and their helpers.



Owner – Operator:

- 1. Are you an individual Owner-Operator? YES NO
- 2. If you are an Owner-Operator, do you own more than one vehicle? YES NO
- 3. If you are an Owner-Operator, do you have any Employees? YES NO
- 4. If you are an Owner-Operator, do you hire any Sub-Haulers? YES NO
- 5. If you are a sole proprietor, are you seeking to secure workers' compensation coverage for yourself (i.e., for you to be included under the WC policy)? YES NO
- 6. If yes, have you included the estimated annual payroll for yourself on page 2? YES NO
- 7. As an Owner-Operator, do you **own** your truck(s) / power units(s)? YES NO
- 8. As an Owner-Operator, do you **lease** your truck(s) from a 3rd party? YES NO
- 9. As an Owner-Operator, if you **lease** your truck(s), please provide your Lease Agreement & DMV vehicle registration sheet(s) with your signed, completed questionnaire.

Trucking Broker:

- 10. Are you a Trucking Broker? YES NO
- 11. If you are a Trucking Broker, do you own any trucks? YES NO
- 12. If yes, list the number of trucks, as well as, the entity name & authority (license #) under which your vehicles are operated _____

Fleet Carrier:

- 13. Do you operate a fleet (i.e., more than one truck / one driver)? YES NO
- 14. Do you use or hire Sub-Haulers / Owner-Operators? YES NO
- 15. If yes, do you require a Sub-Haul Agreement / Contract? YES NO
(Please provide a copy of your standard Sub-Haul Agreement with your signed, completed questionnaire).
- 16. Do the Sub-Haulers / Owner-Operators (that you hire) operate under your authority (License) when they haul on your behalf? YES NO
- 17. Do you require Sub-Haulers / Owner-Operators to have their own operating authority (USDOT # / MC # / DMV MCP CA #)? YES NO

NOTE: If you do not hire Sub-Haulers, Owner-Operators or Independent Contractors to drive on your behalf, skip the questions on pages 5 – 8 and sign page 8.

If you do hire Sub-Haulers, Owner-Operators or Independent Contractors or intend to hire such workers, complete the questions on pages 5 – 8, and sign page 8.



18. Do you determine whether Sub-Haulers / Owner-Operators, who haul on your behalf, have their own workers' compensation coverage (if required by statute)? YES NO

19. If you determine your Sub-Haulers / Owner-Operators do have their own workers' compensation coverage, do you obtain proof of WC coverage from them, and ensure that all of their drivers are covered under such policies (including single vehicle Owner-Operators)? YES NO

NOTE: "Cost of hire" is defined as all payments to sub-haulers for hauling services, and any reimbursements or direct pay of fuel, repairs, lodging, food, scale bills, parking, tickets, training, insurance, permits, cell phone, uniforms, laundry, etc.

20. List the actual **Total Cost of Hire for ALL Sub-Haulers (SH) / Owner-Operators (OO)** that you paid in the last 12 months: \$ _____ # of SH / OO used: _____

21. Estimate the **Total Cost of Hire for ALL Sub-Haulers (SH) / Owner-Operators (OO)** that you expect to pay in the next 12 months: \$ _____ # of SH / OO forecasted: _____

22. Are there any Sub-Haulers or Owner-Operators (hauling on your behalf) to whom **you currently issue (or have previously issued) W-2s?** YES NO

- If "Yes", please show the total annual cost of hire for such drivers here: \$ _____
- **100% of your annual payments (i.e., Cost of Hire, etc.) to such drivers will be included as payroll equivalent in the premium base for your WC quote/policy.**

23. Do any Sub-Haulers or Owner-Operators drive vehicles that **you** (or entities in which you have financial interest) **lease to them?** YES NO

- If "Yes", please show the total annual Cost of Hire for such drivers here: \$ _____
- **100% of your annual payments (i.e., Cost of Hire, etc.) to such drivers will be included as payroll equivalent in the premium base for your WC quote/policy.**

24. Do any Sub-Haulers or Owner-Operators (hauling on your behalf) drive vehicles that **they own independently from you, but lease back (lease-on) to you?** YES NO

- If "Yes", please show the total annual Cost of Hire for such drivers here: \$ _____
- **25% of your annual payments (i.e., Cost of Hire, etc.) to such drivers may be included as payroll equivalent in the premium base for your WC quote/policy, depending upon the relationship between lessor and lessee, as indicated in the responses to questions 25 - 43.**



The following questions #25 through #43 will be used to assess the relationship you have with the Sub-Haulers and Owner-Operators who own their own vehicles but drive on your behalf. In addition to your responses to these questions, your standard Sub-Haul Agreement, as well as the information obtained from other sources (i.e., <https://safer.fmcsa.dot.gov>, etc.), will be used to evaluate the insurance risk. If factors indicate that you maintain control over the manner and means by which such drivers operate on your behalf, then 25% of your annual payments (i.e., Cost of Hire, etc.) to such drivers will be included as payroll equivalent in the premium calculation for your WC quote/policy. If factors indicate that such drivers operate truly independently and maintain their own span of control, then your payments to them will not be included in the premium calculation.

25. Do you impose any restrictions on Sub-Haulers or Owner-Operators as to whom, when and where they can perform their services for others (including during their contract with you, or for a period of time after their contract with you ends)? YES NO

26. Do you require or allow Sub-Haulers or Owner-Operators to use your company logo or insignia on their trucks or clothes? YES NO

27. Not including discount plans, do you allow Sub-Haulers or Owner-Operators to utilize your company expense programs or credit cards? (i.e., including but not limited to: T-Chek; fleet cards; gas cards; etc.) YES NO

28. Do any Sub-Haulers or Owner-Operators work exclusively for you (i.e., only haul your loads at the exclusion of other clients)? YES NO

- If "Yes", please show the total annual Cost of Hire for such drivers here: \$ _____

29. Do any Sub-Haulers or Owner-Operators drive for you at least 10 months out of the year, and earn annual 'Cost of Hire' per truck of \$100,000 or more? YES NO

- If "Yes", please show the total annual Cost of Hire for such drivers here: \$ _____



30. Do you require Sub-Haulers or Owner-Operators to notify you or get your consent before they can hire other drivers for their operation to haul loads on your behalf? YES NO
31. Does your Sub-Haul contract/agreement with Sub-Haulers or Owner-Operators contain a multi-year duration (timeline) of service? YES NO
32. Do you require Sub-Haulers or Owner-Operators to follow **your company's** procedure manual, or **your company's** operating rules & requirements? YES NO
33. Do you control the order of deliveries, delivery times, hours worked, or routes to be driven by Sub-Haulers or Owner-Operators (hauling on your behalf)? YES NO
34. Are there contractual ramifications (or any consequences to drivers) for Sub-Haulers or Owner-Operators that refuse or decline to haul a load for you? YES NO
35. Do you prevent or control Sub-Haulers or Owner-Operators from maintaining primary communication with the pick-up and drop-off locations/entities (i.e., by requiring the drivers to only communicate with your dispatcher)? YES NO
36. Do you accept responsibility for damaged and/or late deliveries on behalf of the Sub-Haulers or Owner-Operators? YES NO
37. Do you provide training to Sub-Haulers or Owner-Operators that you hire to haul loads on your behalf? YES NO
38. Do you perform truck inspections, drug tests, medical exams, or fitness evaluations on the drivers / vehicles of your Sub-Haulers or Owner-Operators? YES NO
39. Do you routinely pay for (or subsidize) any of the normal repair, maintenance or operating expenses incurred by your Sub-Haulers or Owner-Operators? YES NO



40. Do you provide assistance (administratively, financially or otherwise) to your Sub-Haulers or Owner-Operators in procuring or maintaining their licenses, permits, registrations or insurance needs? YES NO

41. Are there any cross-border (U.S./Mexico) Sub-Haulers or Owner-Operators (hauling on your behalf for U.S. loads) whom you pay directly, and the driver is not on the payroll of the out-of-country entity? YES NO

42. What method of payment do you use to compensate Sub-Haulers or Owner-Operators?
 Cash Checks (paid to entity name) Checks (paid to driver by name)
 Money orders Direct Deposit Credit Advances Other _____

43. How often do you pay your Sub-Haulers or Owner-Operators?
 Per load (no schedule) Per mile (no schedule)
 Once per week (on a schedule) Twice per month (on a schedule)
 Once per month (on a schedule) Other _____

By submitting this completed & signed State Fund Trucking Industry WC Questionnaire and attachments, I certify that the above answers are true and correct. I am aware that willful underreporting or misclassification of payroll is a violation of California Fraud Statutes.

Please Sign here:

Signature of Owner / Authorized Representative **Date**

Printed Name of Owner / Authorized Representative **Title**

Company Name of Employer (Applicant)