

# **\* NEWS RELEASE \***

## **CONTRACTOR CONVICTED FOR FAILING TO SECURE WORKERS' COMPENSATION INSURANCE**

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**FOR IMMEDIATE RELEASE**

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Monterey County District Attorney Dean D. Flippo announced today that licensed contractor Daniel Edward Clark, a 66-year-old resident of Salinas, entered a plea of no contest to a misdemeanor charge that he failed to obtain workers' compensation insurance for his employees in June 2018.

Daniel Clark is a California contractor who owns and manages D&E Construction. On June 14, 2018, the Contractors State Licensing Board (CSLB) investigated a construction project located at 815 South Main Street in Salinas, California. The CSLB investigator observed advertising for D&E Construction and saw 4 adult males performing paving work. The CSLB investigator reviewed the licensing records for D&E Construction and verified that the company had reported having no employees. The CSLB issued a stop order and referred the case to the Monterey County District Attorney's Workers' Compensation Fraud Unit.

On October 30, 2018, the District Attorney charged Daniel Clark with a violation of Labor Code section 3700.5(b) – a misdemeanor. After his plea of no contest, Judge Elisabeth K. Mineta sentenced Clark to 3 years probation and a \$10,000 fine, though \$9,500 will be suspended pending his successful completion of probation.

This case was investigated by the Contractors State Licensing Board with assistance from District Attorney Investigator Martin Sanchez.

The District Attorney wishes to remind small business owners and the public that California law mandates that employees be covered by workers' compensation insurance so that there is adequate medical coverage and other benefits for employees for any work-related injuries that may occur. The mere fact that a worker is hired to simply work on several projects does not, by itself, mean that the worker is not an employee for whom workers compensation insurance must be purchased. The failure to secure workers' compensation insurance is a criminal offense in California.