



USL&H

THE “GO-TO-JAIL IF YOU DON’T CARRY IT” INSURANCE

Workers’ Compensation is one of those “must buy” insurance policies. And what most business owners don’t know is that if you perform certain incidental work-related duties on, along or near navigable water, you must abide by Federal laws and carry United States Longshore & Harbor Workers Compensation insurance also.

You may have caught some fuzzy words in the paragraph above... “work-related duties, incidental, navigable...”

Let’s explore how those words affect you and your business. A navigable waterway is any body of water that snakes through this country and empties, via its tributaries, into the Gulf of Mexico, Atlantic or Pacific Oceans. So, the waterway near where you work can start one mile or 1,000 miles or more from any one of the Oceans or Gulf.

Then there is “incidental.” Who knows how the court might interpret these words. Examples best show the inconsistencies:

- Making deliveries to the dock
- Going onto a dock or boat to deliver or repair
- Carpenter responsible for repairing boxes and barrels used in shipping
- Transporting to pier with the accident occurring on a public roadway before reaching the pier
- Truck driver loading on dock
- Welders injured on public highway leaving employee’s facility
- Machinist working 2.5 miles from water past several public streets
- Waterfront security guard

- Employee injured in structural steel shop 2000 feet from water
- Unloading fish adjacent to navigable water
- Injury occurring on public thoroughfare administered and maintained by the Port Authority of New York or New Jersey
- Pier under construction
- Plumber, carpenter, electrician working on or near water

So, if one of your employees is injured near this navigable waterway, that employee can file suit against you or your officers. This may be true if your employee was near the waterway for just one hour.

Even worse, in such a lawsuit the employee is not limited to Workers’ Compensation benefits. The employee can recover compensatory damages (for pain and suffering) as well as punitive damages. Let’s add insult to injury, officers, not shareholders could be fined up to \$10,000 or imprisoned up to one year!

You noticed “Jail” in the title of this report. You saw that word in the last paragraph. Yes, that kind of jail—with bars and funny suits. If there is a claim presented under USL&H and if you don’t carry Federal Workers’ Compensation *USL&H) you may just be staring out from the wrong side of those bars.

Your obligation is to keep your agent closely informed about where your business takes you. Think working on or near water. Think calling your agent.

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