

**AGENCY FOR WORKFORCE INNOVATION
TALLAHASSEE, FLORIDA**

PETITIONER:

Employer Account No. - 2637572
QUIK TRANS INC
PO BOX 1755
HILLIARD FL 32046-1755

RESPONDENT:

State of Florida
Agency for Workforce Innovation
c/o Department of Revenue

**PROTEST OF LIABILITY
DOCKET NO. 2010-31398L**

ORDER

This matter comes before me for final Agency Order.

Having fully considered the Special Deputy's Recommended Order and the record of the case and in the absence of any exceptions to the Recommended Order, I adopt the Findings of Fact and Conclusions of Law as set forth therein. A copy of the Recommended Order is attached and incorporated in this Final Order.

In consideration thereof, it is ORDERED that the determination dated December 17, 2009, is AFFIRMED.

DONE and ORDERED at Tallahassee, Florida, this _____ day of **October, 2010**.



TOM CLENDENNING
Assistant Director
AGENCY FOR WORKFORCE INNOVATION

**AGENCY FOR WORKFORCE INNOVATION
Unemployment Compensation Appeals**

MSC 345 CALDWELL BUILDING
107 EAST MADISON STREET
TALLAHASSEE FL 32399-4143

PETITIONER:

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PO BOX 1755
HILLIARD FL 32046-1755

RESPONDENT:

State of Florida
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**PROTEST OF LIABILITY
DOCKET NO. 2010-31398L**

RECOMMENDED ORDER OF SPECIAL DEPUTY

TO: Assistant Director
Agency for Workforce Innovation

This matter comes before the undersigned Special Deputy pursuant to the Petitioner’s protest of the Respondent’s determination dated December 17, 2009.

After due notice to the parties, a telephone hearing was held on August 4, 2010. The Petitioner’s manager/owner appeared and testified at the hearing. The Joined Party appeared and testified on his own behalf. A tax auditor II appeared and testified on behalf of the Respondent.

The record of the case, including the recording of the hearing and any exhibits submitted in evidence, is herewith transmitted. Proposed Findings of Fact and Conclusions of Law were not received.

Issue:

Whether services performed for the Petitioner by the Joined Party constitute insured employment, and if so, the effective date of liability, pursuant to Section 443.036(19), 443.036(21); 443.1216, Florida Statutes.

Findings of Fact:

1. The Petitioner is a subchapter S corporation incorporated in 2005 for the purpose of running an automobile repair facility.
2. The Joined Party provided services for the Petitioner as a mechanic from November 2008, through October 2009. The Joined Party contacted the Petitioner looking while the Joined Party was in search of work. The Joined Party filled out an application and interviewed with the Petitioner before being retained as a mechanic by the Petitioner.

3. The Joined Party was required to report to work from 8 to 5, during the Petitioner's hours of business. The work was to be performed at the Petitioner's place of business and during the Petitioner's hours of operation. The Petitioner would assign specific tasks and repairs to the Joined Party during the shift.
4. The Joined Party provided his own hand tools. The Petitioner provided larger equipment such as floor jacks and a lift.
5. The Joined Party was paid at an hourly rate set by the Petitioner. The Petitioner lowered the rate of pay unilaterally during the work relationship due to concerns about the ability of the Joined Party to do the work.
6. The Petitioner monitored the Joined Party's work and was required to step in and have the Joined Party re-do improperly done work on a regular basis.
7. The Petitioner sent the Joined Party home several times as a disciplinary action.

Conclusions of Law:

8. The issue in this case, whether services performed for the Petitioner constitute employment subject to the Florida Unemployment Compensation Law, is governed by Chapter 443, Florida Statutes. Section 443.1216(1)(a)2., Florida Statutes, provides that employment subject to the chapter includes service performed by individuals under the usual common law rules applicable in determining an employer-employee relationship.
9. The Supreme Court of the United States held that the term "usual common law rules" is to be used in a generic sense to mean the "standards developed by the courts through the years of adjudication." United States v. W.M. Webb, Inc., 397 U.S. 179 (1970).
10. The Supreme Court of Florida adopted and approved the tests in 1 Restatement of Law, Agency 2d Section 220 (1958), for use to determine if an employment relationship exists. See Cantor v. Cochran, 184 So.2d 173 (Fla. 1966); Miami Herald Publishing Co. v. Kendall, 88 So.2d 276 (Fla. 1956); Magarian v. Southern Fruit Distributors, 1 So.2d 858 (Fla. 1941); see also Kane Furniture Corp. v. R. Miranda, 506 So.2d 1061 (Fla. 2d DCA 1987).
11. Restatement of Law is a publication, prepared under the auspices of the American Law Institute, which explains the meaning of the law with regard to various court rulings. The Restatement sets forth a nonexclusive list of factors that are to be considered when judging whether a relationship is an employment relationship or an independent contractor relationship.
12. 1 Restatement of Law, Agency 2d Section 220 (1958) provides:
 - (1) A servant is a person employed to perform services for another and who, in the performance of the services, is subject to the other's control or right of control.
 - (2) The following matters of fact, among others, are to be considered:
 - (a) the extent of control which, by the agreement, the business may exercise over the details of the work;
 - (b) whether or not the one employed is engaged in a distinct occupation or business;
 - (c) the kind of occupation, with reference to whether, in the locality, the work is usually done under the direction of the employer or by a specialist without supervision;
 - (d) the skill required in the particular occupation;
 - (e) whether the employer or the worker supplies the instrumentalities, tools, and the place of work for the person doing the work;

- (f) the length of time for which the person is employed;
 - (g) the method of payment, whether by the time or by the job;
 - (h) whether or not the work is a part of the regular business of the employer;
 - (i) whether or not the parties believe they are creating the relation of master and servant;
 - (j) whether the principal is or is not in business.
13. Comments in the Restatement explain that the word “servant” does not exclusively connote manual labor, and the word “employee” has largely replaced “servant” in statutes dealing with various aspects of the working relationship between two parties. In Department of Health and Rehabilitative Services v. Department of Labor & Employment Security, 472 So.2d 1284 (Fla. 1st DCA 1985) the court confirmed that the factors listed in the Restatement are the proper factors to be considered in determining whether an employer-employee relationship exists. However, in citing La Grande v. B&L Services, Inc., 432 So.2d 1364, 1366 (Fla. 1st DCA 1983), the court acknowledged that the question of whether a person is properly classified an employee or an independent contractor often cannot be answered by reference to “hard and fast” rules, but rather must be addressed on a case-by-case basis.
14. The evidence presented in this case reveals that the Petitioner exercised control over where, when, and how the Joined Party performed services. The Petitioner set the hours and location of the work. The Petitioner assigned specific tasks to the Joined Party. The Petitioner monitored the work of the Joined Party.
15. The Petitioner had unilateral control over the financial aspects of the relationship. The Petitioner set the initial rate of pay and unilaterally lowered the rate of pay against the Joined Party’s interests.
16. The Petitioner maintained the right to discipline the Joined Party. The Petitioner sent the Joined Party home on several occasions as a form of discipline.
17. A preponderance of the evidence revealed in this case shows that the Petitioner established sufficient control over the Joined Party as to create an employer-employee relationship between the Petitioner and the Joined Party.

Recommendation: It is recommended that the determination dated December 17, 2009, be AFFIRMED.

Respectfully submitted on September 1, 2010.



KRIS LONKANI, Special Deputy
Office of Appeals