



CONSTRUCTION
ENFORCEMENT

Contact Information

Office of Contractor Registration:

252 Chapman Road, Suite 210
Newark, DE 19702

Phone: (302) 430-7739

Email: Contract.Registry@delaware.gov

Hours of Operation: 8am to 4:30pm



Other Locations

Blue Hen Corporate Center
655 S. Bay Road, Suite 2H
Dover, DE 19901

8 Georgetown Plaza, Suite 2
Georgetown, DE 19947

The Division of Industrial Affairs supports your efforts to provide a fair and secure workplace. Together, we can ensure that your business not only meets legal requirements but also thrives through an empowered workforce.

Understanding Worker Misclassification & Workplace Fraud

A Guide for Construction Contractors



DELAWARE DEPARTMENT OF LABOR

DIVISION OF
**INDUSTRIAL
AFFAIRS**



What is the Workplace Fraud Act?

The Workplace Fraud Act (WFA) is enforced by the Delaware Department of Labor's Division of Industrial Affairs. Its primary goal is to prevent the misclassification of employees as independent contractors, in the construction industry.

By setting clear definitions for contractors, employees, and labor brokers, the Act ensures that all workers are given the protections and benefits they are entitled to under the law.

Your Role in Preventing Workplace Fraud

As a construction contractor, it's your responsibility to follow the Act by correctly classifying workers you employ. Misclassification not only harms workers but can also lead to unfair bidding practices and diminishes worker protections.

The Act allows for the legal engagement of construction companies and subcontractors, ensuring they are all compliant with state labor laws.

The Cost of Misclassification

Non-compliance with the WFA can result in significant penalties, including fines, stop work orders, and debarment from state contracts.

The Act is designed to protect both workers and contractors, ensuring a level playing field for all. Violations could severely impact your business and its reputation.

Steps to Compliance

Let's look at some quick tips on how to ensure compliance:

- Make sure all workers/individuals are properly classified as employees, independent contractors or exempt persons.
- Maintain clear and accurate records of workers for three (3) years. These should include:
 - Personal information
 - Rate of pay
 - Method of payment
 - Hours worked each day/week
 - Written notices
 - Written agreements
- Contact the Office of Construction Enforcement for help with more information.

Need Help or Wish to Report a Violation?

If you encounter or suspect workplace fraud or misclassification, you can file a complaint with the Office of Labor Law Enforcement.

Assistance is available for those who need help understanding their obligations or who wish to ensure they are in compliance.



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