

Jacksonville, Fla. Tree Service Business Owner Charged with Workers' Comp Fraud

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A Jacksonville, Fla. tree service business owner has been arrested after the electrocution of one of his employees and charged with workers' compensation fraud, first degree, for failure to provide workers' compensation insurance, according to Tom Gallagher, Florida CFO. Due to the lack of insurance, it is possible that the family of the deceased worker may not receive death benefits.

Aaron M. Capannelli, 26, owner of LumberJax Tree Service, has been charged and surrendered to the Jacksonville Sheriff's Office on Aug. 3. He could face up to 30 years in prison and a \$10,000 fine. The surrender occurred following an investigation by the Department of Financial Services, Division of Insurance Fraud.

The Division of Workers' Compensation, Bureau of Compliance, conducted an investigation after the June 14 death of Capannelli's employee, Carl T. Jernigan, after his tree trimming equipment came in contact with a power line. At the time of his death, Jernigan was two days shy of celebrating his 22nd birthday.

The investigation confirmed that Capannelli and four employees were working at a private residence without workers' compensation coverage, a violation of Florida law. Capannelli was issued a Stop Work Order and a Request for Business Records. As a result of the SWO, Capannelli was assessed a fine of \$1,000 and was arrested by insurance fraud detectives on the felony charge.

"This is an especially sad case where a family has to deal with financial burden in addition to their grief," said Gallagher, who oversees the Department of Financial Services. "Workers' compensation coverage ensures workers, especially those in high-risk jobs, have a safety net in the event of an accident. Employers who break the law and do not provide this coverage put their employees and their families at great risk and unfairly compete with law-abiding businesses."

Source: Florida Department of Financial Services