Prevent Fraud By Maintaining a Safe Workplace Fatality File

2 men were shocked to death on the job. Their boss committed $100K in workers' comp fraud, DA says

The Riverside County District Attorney's Office has asked for an arrest warrant against Carlos Valencia, the employer of two men who were fatally electrocuted in March 2016 while pollinating palm trees in Thermal.

An investigation into the deaths of Osvaldo Ceron and Ernesto Hurtado found that Carlos Valencia, owner of Valencia Trimming in La Quinta, misclassified employees to make their jobs appear to be lower risk to his insurance provider and lied about employee pay, according to court documents filed by the DA's office.

Valencia deprived California's insurance fund for workers' compensation of $100,000 and cost the state more than $35,000 in unreported payroll taxes between 2012 and 2017, the arrest declaration says.

The district attorney filed the felony charges against Valencia, 49, on Dec. 7 with a recommended cash bond of $135,000.

Valencia Trimming employees Ceron and Hurtado were electrocuted while pollinating palm trees at 68600 Harrison Ave. in Thermal on March 12, 2016.

The two men were using a truck with a boom. Hurtado was maneuvering the boom when the bucket carrying both men made contact with a power line, according to the DA, shocking them.

Ceron fell from the bucket to the ground, where he was found dead by a third employee. Hurtado remained in the bucket, which caught fire while the group waited for the power company to shut off the

power line. He was electrocuted and burned.

According to the DA, Valencia misreported both pay rate and worker classification to the State Compensation Insurance Fund, or SCIF, the $1-billion fund created by the state of California to provide workers' compensation coverage.

In this case, both Ceron and Hurtado's beneficiaries have received death benefits, Vargen said. One of their cases has been closed and the other remains open.

SCIF issued Valencia Trimming an insurance policy effective in 2012. But Valencia "reported his payroll under landscaping and not tree trimming," a classification that lowered Valencia's insurance rate prior to the deaths of Ceron and Hurtado. Valencia later admitted to SCIF that "no landscaping operations are performed" by his business, according to the DA.

Valencia also underreported employee payroll wages to SCIF and to state tax authorities, the declaration says. For example, Valencia told SCIF investigators after the incident that Hurtado had earned $15,000 annually and that Ceron had earned $11,000 annually, but previously reported to SCIF that his business had no payroll wages during periods when one or both men were employees.