



Pacific Grove architect pleads guilty to workers' compensation fraud

News: 2014 Press Release

For Release: June 5, 2014

Media Calls Only: 916-492-3566

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PACIFIC GROVE, Calif. – Robert Gunn, 70, of Pacific Grove, pleaded guilty to one felony count of failure to register as an employer and one misdemeanor count of failing to secure workers' compensation insurance. A Department of Insurance investigation found that Gunn had not purchased workers' compensation insurance prior to an employee's injury.

"The underground economy is a multi-billion drain on California's economy and hurts law abiding businesses," said Commissioner Dave Jones. "Employers that cheat the system by not providing workers' compensation not only risk employee safety but also contribute to higher costs for businesses and consumers."

In May 2013, Department of Insurance officials received information that Gunn informed his employees that he did not have workers' compensation insurance, but if he did, he would take the cost of the insurance out of their paychecks. The Department of Insurance began an investigation in collaboration with the Monterey County District Attorney's Office and the Contractor's State License Board.

The investigation led to Gunn being interviewed while employing contractors at a rental property. Investigators found that one of Gunn's workers had been injured while on the job and that Gunn paid for him to obtain chiropractic treatments. Gunn told investigators he purchased workers' compensation insurance recently, but did not have it at the time of the worker's injury, and was in the process of registering as an employer with the Employment Development Department.

Gunn pleaded guilty to one felony count of failure to register as an employer and one misdemeanor count of failing to secure workers' compensation insurance. He is scheduled to be sentenced on July 2, 2014.

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Media Notes:

No booking photo available.

Investigation began in May 2013 and Gunn is scheduled to be sentenced on July 2, 2014.

[CLSB # 452034](#) for Robert C. Gunn Architect in Pacific Grove, CA shows a status of expired.

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The California Department of Insurance, established in 1868, is the largest consumer protection agency in California, regulating the \$123 billion insurance marketplace. In 2013 the California Department of Insurance received more than 170,000 calls from consumers and helped recover over \$63 million in

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