



KEY VOTE ALERT

TO: Members of the Ohio House of Representatives
FROM: Kevin Shimp, Director, Labor & Legal Affairs
DATE: June 4, 2019
RE: Floor Vote on House Bill 80

A number of significant changes were added to the Bureau of Workers' Compensation biennium budget bill, HB 80, by the Finance Committee after it was reported out of the Insurance Committee. As a result of these changes – changes we believe will negatively impact Ohio's business community and the workers' compensation system – the Ohio Chamber now opposes HB 80.

Specifically, we oppose the provisions that:

1. prohibit most employers from objecting to a final settlement offer once the claim is out of their experience. Without a right to reject a settlement, employers are at risk of facing higher premiums and compensating the same injury multiple times because an employee can open a new claim and seek compensation and medical benefits for aggravating their prior injury after reaching a settlement;
2. make it more difficult for employers to track the potential overpayment of benefits by essentially prohibiting employer policies that call for employees to use accrued sick leave in lieu of temporary total disability; and
3. redefine who is an employee for the purposes of workers' compensation, unemployment compensation, and Ohio's income tax. This change ignores the complexity of individual industries and fails to account for the varying employment relationships that drive Ohio's economy. In addition, it would assess an overly punitive \$500 per day fine on employers for each employee they misclassify once a complaint is filed.

In addition to these amendments that will directly impact Ohio employers, HB 80 also proposes a costly, fundamental change to Ohio's workers' compensation law. Since voters adopted Article II, Section 35 of the Ohio Constitution in 1912, which authorized a compulsory workers' compensation system, Ohio law has always required that an employee have a physical harm or injury in order to receive workers' compensation benefits. However, for the first time ever, HB 80 would permit coverage of a mental injury without any underlying physical harm by allowing PTSD claims for police officers, firefighters, and emergency medical workers. When a comparable stand-alone bill was considered by the General Assembly in 2015, the BWC estimated it would increase costs by \$182 million per year.

For these reasons, the Ohio Chamber of Commerce urges a NO vote on HB 80. Your vote will be recorded on our Free Enterprise Index and it will be double weighted to reflect the substantial negative impact this legislation will have on employers and our business climate. If you have any questions, please contact Kevin Shimp at 614-629-0916 or KShimp@ohiochamber.com.

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