

June 2010

WORKERS' COMPENSATION NEWS

BWC Board of Directors Meeting

On Thursday, May 27th BWC proposed the 2011 Public Employer Taxing Districts Credibility Table and Group Break-Even Factor to the Actuarial Committee for a first reading. The proposal is scheduled to go to the BWC Board of Directors for a vote on June 18th. Based on the information provided at the Actuarial meeting, it appears that Public Employer Taxing Districts may be eligible to earn up to a 59% discount for the 2011 Policy Year.

If the BWC Board of Directors approves the proposed rule changes, Public Employer Taxing Districts could receive group rating quotes as soon as June 18th.

SAFETY NEWS

Green Year Training

The Sheakley Safety Team will continue their efforts to educate all BWC 2010 public group rated employers who have had a claim in calendar year 2008 or 2009 by offering the training at the additional locations and times below. **The deadline for this mandatory training is December 31, 2010.**

<u>June 2010</u>	<u>Topic</u>	<u>Location</u>	<u>Time</u>
9 th :	Creating a Safety Culture	Columbus	8 to 10 am
9 th :	Back Safety	Columbus	10:30 to 12:30
9 th :	The First Five of Safety	Columbus	1 to 3 pm
9 th :	Protect Your Employees (Safety Jeopardy)	Columbus	3 to 5 pm
10 th :	CPR/AED Training**	Columbus	8 to 11 am
10 th :	First Aid Training **	Columbus	11:30 to 2:30
10 th :	Bloodborne Pathogens	Columbus	3 to 5 pm
16 th :	Creating a Safety Culture	Lima	8 to 10 am
16 th :	Back Safety	Lima	10:30 to 12:30
16 th :	OSHA Recordkeeping	Lima	1 to 2 pm
16 th :	Slips, Trips and Falls	Lima	2 to 3 pm
16 th :	Bloodborne Pathogens	Lima	3 to 5 pm
17 th :	Creating a Safety Culture	Toledo	8 to 10 am
17 th :	Back Safety	Toledo	10:30 to 12:30
17 th :	Organizing a Safety Committee	Toledo	1 to 3 pm
17 th :	Protect Your Employees (Safety Jeopardy)	Toledo	3 to 5 pm
29 th :	Workplace Violence Awareness	Cincinnati	8 to 10 am
30 th :	Organizing a Safety Committee	Columbus	12:30 to 2:30
30 th :	Workplace Violence Awareness	Columbus	3 to 5 pm

**These courses require a training fee.

If you have questions about the Green Year Training or would like to schedule your training please contact us at 800-877-5055 x2014 or safety@sheakley.com.

The Sheakley Safety Team offers Webinar training on many safety topics please [click here](#) to access Sheakley safety training online!

UNEMPLOYMENT NEWS

Unemployment Rates – April

Ohio unemployment rises from 10.0% in April 2009 to 10.9% for April 2010. The United States unemployment rate has risen from 8.9% in April 2009 to 9.9% for April 2010.

Federal Emergency Unemployment Extension Update

The House voted before Memorial Day week recess to extend federal unemployment provisions thru November 2010. In addition to the further unemployment extension provisions a new section was added to assure that individuals who have been receiving federal emergency unemployment compensation but have had some work would not be required to accept a lower weekly benefit amount under state unemployment compensation law before being eligible to continue with a higher federal emergency unemployment compensation weekly benefit amount.

The bill would provide:

- **The period during which individuals may file applications for Federal Emergency Unemployment Compensation (EUC) is extended from weeks beginning before June 2, to weeks beginning before November 30, 2010 and the period during which individuals may claim and be paid EUC is extended from ending November 6, 2010 to April 30, 2011.**
- **The period during which individuals may qualify for the Federal Additional Compensation (FAC), the extra \$25 per weekly benefit amount on state and federal unemployment compensation, would be extended through May 31, 2011.**
- **The period during which 100% federal reimbursement for weeks of regular federal extended benefit payments is provided would be extended from ending after June 2, 2010 to December 1, 2010 (note there appears to be a typo in the bill moving to December 1, 2011), with the state option to continue the extended period for payments extended from November 6, 2010 to May 1, 2011.**

LEGISLATIVE NEWS

Senate Resolution 118 – Competitive Workers’ Compensation Task Force (Grendell)

The Task Force was created to review the feasibility of allowing employers the option to obtain private insurance to insure their obligations under the workers’ compensation system of Ohio. The 23 appointed participants of the taskforce includes the BWC Administrator and BWC Board of Director Chair. The Task Force is required to submit a report to the General Assembly and Governor on December 15, 2010. Recently the State of Nevada workers’ compensation system was reviewed by the taskforce with a presentation by the VP of Corporate and Public Affairs of Employer’s Insurance Company.

Senate Bill 238 – Immigrant Workers’ Compensation (Seitz)

The Senate Bill (introduced March 2010) would prohibit illegal and unauthorized aliens from receiving compensation benefits under Ohio’s Workers’ Compensation Law. The bill is expected to reach the Senate for a full vote the first week of June. The bill proposes the following rules:

- Claimant provides, within 28 days after notification of a claim from BWC, a copy of documentation that demonstrates the claimant’s identity and authority to work in accordance with the Immigration Reform and Control Act.
- Provides that an illegal or unauthorized alien is barred from bringing suit in civil court for personal injury omission or neglect of the employer except if the employer employed the illegal or unauthorized alien knowing that the person was not authorized to work under the IRCA.
- Permits, in all instances, an illegal or unauthorized alien to bring a claim against an employer for intentional tort.

House Bill 495 – Agency Consolidation (Book, Dodd)

The House Bill (introduced April 2010) would implement the recommendations of the Sunset Review Committee by abolishing, terminating, transferring, or renewing various agencies and by reestablishing the Sunset Review Committee but postponing its operation until the 132nd General Assembly, and to terminate the operation of certain provisions of this act on December 31, 2016. The bill would retain the Workers' Compensation Council but eliminate its funding and require the General Assembly to review the Council and its funding. A possible vote is expected the beginning of June.

House Bill 523 – Employee Definition (Phillips, Driehaus)

The House Bill (introduced May 2010) would create a generally uniform definition of employee for specified labor laws and to create a uniform standard to determine whether an individual performing services for an employer is an employee of that employer. The bill was referred to the Commerce and Labor Committee on May 25th.

Worker Misclassification Violations (Sen. Sherrod Brown)

Senator Brown introduced federal legislation that would prevent workers from being misclassified as independent contractors and would provide for the protection and benefits which they have earned. The legislation would create safeguards within workers' compensation benefits and has been named The Employee Misclassification Prevention Act.

The Employee Misclassification Prevention Act (EMPA) would reduce the number of misclassification violations by:

- Ensuring that employers keep records that reflect the accurate status of each worker as an employee or non-employee and clarifying those employers who violate the Fair Labor Standards Act when they misclassify workers.
- Increasing penalties on employers who misclassify their employees and are found to have violated employees' overtime or minimum wage rights.
- Requiring employers to notify workers of their classification as an employee or non-employee.
- Creating an "employee rights web site" to inform workers about their federal and state wage and hour rights.
- Providing protections to workers who are discriminated against because they have sought to be accurately classified.

EMPA will increase federal and state efforts to detect and stop misclassification by:

- Mandating that states conduct audits to identify employers who misclassify workers and by requiring that Department of Labor (DOL) monitor states' efforts to identify misclassification.
- Directing states to strengthen their own penalties for worker misclassification.
- Permitting DOL and Internal Revenue Service to refer incidents of misclassification to one another.
- Directing DOL to perform targeted audits focusing on employers in industries that frequently misclassify employees.

To learn more about these changes and how they will impact your business, please contact our office at 513-326-4675 x2044 or visit our website at www.sheakley.com.