

**As Reported by the Senate Insurance and Financial Institutions
Committee**

**133rd General Assembly
Regular Session
2019-2020**

Sub. H. B. No. 80

Representative Oelslager

**Cosponsors: Representatives Hambley, O'Brien, Patterson, Perales,
Plummer, Rogers, Baldrige, Cross, Edwards, Ghanbari, Holmes, A., Patton,
Seitz**

Senators Hottinger, Hackett, Peterson

A B I L L

To amend sections 4123.038 and 4131.03 of the Revised 1
Code to make changes to the Workers' Compensation 2
Law, to make appropriations for the Bureau of 3
Workers' Compensation for the biennium beginning 4
July 1, 2019, and ending June 30, 2021, and to 5
provide authorization and conditions for the 6
operation of the Bureau's programs. 7

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF OHIO:

Section 1. All items in this act are hereby appropriated out 8
of any moneys in the state treasury to the credit of the 9
designated fund. For all appropriations made in this act, those in 10
the first column are for fiscal year 2020, and those in the second 11
column are for fiscal year 2021. The appropriations made in this 12
act are in addition to any other appropriations made for the 13
biennium beginning July 1, 2019, and ending June 30, 2021. 14

BWC BUREAU OF WORKERS' COMPENSATION 15

Dedicated Purpose Fund Group 16

| | | | | | | | |
|------------------------------|--------|--|----|-------------|----|-------------|----|
| 7023 | 855407 | Claims, Risk and Medical Management | \$ | 120,939,816 | \$ | 124,329,031 | 17 |
| 7023 | 855408 | Fraud Prevention | \$ | 14,095,916 | \$ | 14,231,413 | 18 |
| 7023 | 855409 | Administrative Services | \$ | 117,250,236 | \$ | 116,025,396 | 19 |
| 7023 | 855410 | Attorney General Payments | \$ | 4,621,850 | \$ | 4,621,850 | 20 |
| 8220 | 855606 | Coal Workers' Fund | \$ | 186,632 | \$ | 188,487 | 21 |
| 8230 | 855608 | Marine Industry | \$ | 78,188 | \$ | 78,698 | 22 |
| 8250 | 855605 | Disabled Workers Relief Fund | \$ | 193,419 | \$ | 195,709 | 23 |
| 8260 | 855609 | Safety and Hygiene Operating | \$ | 24,079,350 | \$ | 23,745,661 | 24 |
| 8260 | 855610 | Safety Grants | \$ | 20,000,000 | \$ | 20,000,000 | 25 |
| 8260 | 855611 | Health and Safety Initiative | \$ | 6,000,000 | \$ | 6,000,000 | 26 |
| 8260 | 855612 | Safety Campaign | \$ | 1,500,000 | \$ | 1,500,000 | 27 |
| 8260 | 855613 | Research Grants | \$ | 2,000,000 | \$ | 2,000,000 | 28 |
| 8260 | 855618 | Substance Use Recovery and Workplace Safety Program | \$ | 5,000,000 | \$ | 10,000,000 | 29 |
| 8260 | 855619 | Safety and Health Center of Excellence | \$ | 2,000,000 | \$ | 0 | 30 |
| TOTAL DPF | | Dedicated Purpose Fund Group | \$ | 317,945,407 | \$ | 322,916,245 | 31 |
| | | Federal Fund Group | | | | | 32 |
| 3490 | 855601 | OSHA Enforcement | \$ | 1,676,000 | \$ | 1,676,000 | 33 |
| 3FW0 | 855614 | BLS SOII Grant | \$ | 195,104 | \$ | 195,104 | 34 |
| 3FW0 | 855615 | NIOSH Grant | \$ | 24,995 | \$ | 0 | 35 |
| TOTAL FED | | Federal Fund Group | \$ | 1,896,099 | \$ | 1,871,104 | 36 |
| TOTAL ALL BUDGET FUND GROUPS | | | \$ | 319,841,506 | \$ | 324,787,349 | 37 |
| | | WORKERS' COMPENSATION FRAUD UNIT | | | | | 38 |

Of the foregoing appropriation item 855410, Attorney General
Payments, \$828,200 in each fiscal year shall be used to fund the
expenses of the Workers' Compensation Fraud Unit within the
Attorney General's Office. These payments shall be processed at
the beginning of each quarter of each fiscal year and deposited
into the Workers' Compensation Section Fund (Fund 1950) used by
the Attorney General.

SAFETY AND HYGIENE

Notwithstanding section 4121.37 of the Revised Code, the
Treasurer of State shall remit \$24,080,000 cash in fiscal year
2020 and \$23,746,000 cash in fiscal year 2021 from the State
Insurance Fund to the state treasury to the credit of the Safety
and Hygiene Fund (Fund 8260).

SAFETY GRANTS

Notwithstanding section 4121.37 of the Revised Code, the
Treasurer of State shall remit \$20,000,000 in cash in fiscal year
2020 and \$20,000,000 in cash in fiscal year 2021 from the State
Insurance Fund to the state treasury to the credit of the Safety
and Hygiene Fund (Fund 8260) to be used for Safety Grants.

HEALTH AND SAFETY INITIATIVE

Notwithstanding section 4121.37 of Revised Code, the
Treasurer of State shall remit \$6,000,000 in cash in fiscal year
2020 and \$6,000,000 in cash in fiscal year 2021 from the State
Insurance Fund to the state treasury to the credit of the Safety
and Hygiene Fund (Fund 8260). These amounts shall be used under
appropriation item 855611, Health and Safety Initiative, for the
purpose of creating and operating a health and wellness program.

SAFETY CAMPAIGN

Notwithstanding section 4121.37 of the Revised Code, the
Treasurer of State shall remit \$1,500,000 in cash in fiscal year

2020 and \$1,500,000 in cash in fiscal year 2021 from the State 69
Insurance Fund to the state treasury to the credit of the Safety 70
and Hygiene Fund (Fund 8260). These amounts shall be used under 71
appropriation item 855612, Safety Campaign, for the purpose of 72
creating and operating a statewide safety awareness and education 73
campaign. 74

FEDERAL GRANT PROGRAMS 75

The foregoing appropriation item 855609, Safety and Hygiene 76
Operating, may be used to provide the state match for federal 77
grant funding received by the Division of Safety and Hygiene. 78

VOCATIONAL REHABILITATION 79

The Bureau of Workers' Compensation and the Opportunities for 80
Ohioans with Disabilities Agency may enter into an interagency 81
agreement for the provision of vocational rehabilitation services 82
and staff to mutually eligible clients. The Bureau may provide 83
funds from the State Insurance Fund to fund vocational 84
rehabilitation services and staff in accordance with the 85
interagency agreement. 86

RESEARCH GRANTS 87

Notwithstanding section 4121.37 of the Revised Code, the 88
Treasurer of State shall remit \$2,000,000 in cash in fiscal year 89
2020 and \$2,000,000 in cash in fiscal year 2021 from the State 90
Insurance Fund to the state treasury to the credit of the Safety 91
and Hygiene Fund (Fund 8260). These amounts shall be used under 92
appropriation item 855613, Research Grants, for the purpose of 93
creating and operating the occupational safety and health research 94
program. 95

SUBSTANCE USE RECOVERY AND WORKPLACE SAFETY PROGRAM 96

Notwithstanding section 4121.37 of the Revised Code, the 97
Treasurer of State shall remit \$5,000,000 in cash in fiscal year 98

2020 and \$10,000,000 in cash in fiscal year 2021 from the State Insurance Fund to the state treasury to the credit of the Safety and Hygiene Fund (Fund 8260). These amounts shall be used under appropriation item 855618, Substance Use Recovery and Workplace Safety Program, for the purpose of creating and operating the opioid workplace safety program.

SAFETY AND HEALTH CENTER OF EXCELLENCE

Notwithstanding section 4121.37 of the Revised Code, the Treasurer of State shall remit \$2,000,000 in cash in fiscal year 2020 from the State Insurance Fund to the state treasury to the credit of the Safety and Hygiene Fund (Fund 8260). These amounts shall be used under appropriation item 855619, Safety and Health Center of Excellence, for the purpose of creating a center of excellence at the Ohio Center of Occupational Safety and Health.

ADMINISTRATIVE COST FUND

Notwithstanding section 4123.341 of the Revised Code, the Treasurer of State shall remit up to \$25,000,000 cash in fiscal year 2020 and \$25,000,000 cash in fiscal year 2021 from the State Insurance Fund to the state treasury to the credit of the Workers' Compensation (Fund 7023).

Section 2. DEPUTY INSPECTOR GENERAL FOR BWC AND OIC FUNDING

To pay for the FY 2020 costs related to the Deputy Inspector General for the Bureau of Workers' Compensation and Industrial Commission, on July 1, 2019, and January 1, 2020, or as soon as possible thereafter, the Director of Budget and Management shall transfer \$212,500 in cash from the Workers' Compensation Fund (Fund 7023) to the Deputy Inspector General for the Bureau of Workers' Compensation and Industrial Commission Fund (Fund 5FT0).

To pay for the FY 2021 costs related to the Deputy Inspector General for the Bureau of Workers' Compensation and Industrial

Commission, on July 1, 2020, and January 1, 2021, or as soon as 129
possible thereafter, the Director of Budget and Management shall 130
transfer \$212,500 in cash from the Workers' Compensation Fund 131
(Fund 7023) to the Deputy Inspector General for the Bureau of 132
Workers' Compensation and Industrial Commission Fund (Fund 5FT0). 133

If additional amounts are needed, the Inspector General may 134
seek Controlling Board approval for additional transfers of cash 135
and to increase the amount appropriated in appropriation item 136
965604, Deputy Inspector General for the Bureau of Workers' 137
Compensation and Industrial Commission. 138

Section 3. Law contained in the Main Operating Appropriations 139
Act of the 133rd General Assembly that applies generally to the 140
appropriations made in that act also applies generally to the 141
appropriations made in this act. 142

Section 4. The provisions of law contained in this act, and 143
their applications, are severable. If any provision of law 144
contained in this act, or if any application of any provision of 145
law contained in this act, is held invalid, the invalidity does 146
not affect other provisions of law contained in this act and their 147
applications that can be given effect without the invalid 148
provision or application. 149

Section 5. Sections 1 to 5 of this act are exempt from the 150
referendum under Ohio Constitution, Article II, Section 1d and 151
section 1.471 of the Revised Code and therefore take effect 152
immediately when this act becomes law. 153

Section 6. That sections 4123.038 and 4131.03 of the Revised 154
Code be amended to read as follows: 155

Sec. 4123.038. As used in this section and section 4123.039 156

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| of the Revised Code: | 157 |
| (A) "Apprentice" and "apprenticeship agreement" have the meaning defined in section 4111.25 <u>4139.01</u> of the Revised Code. | 158 159 |
| (B) "Related and supplemental instructions" means training offered, conducted, supervised, or given under the sponsorship of any joint apprenticeship committee or other sponsoring organization to apprentices, which training is given in addition to the approved schedule of work experience through employment, and which is to be credited towards the minimum hours of related and supplemental instructions required by section 4139.01 of the Revised Code. | 160 161 162 163 164 165 166 167 |
| (C) "Pre-apprentice" means a person who receives formal classroom training designed to provide the person with the basic education, attitudes, skills, trade knowledge, and motivation necessary to enter a formal apprenticeship program. | 168 169 170 171 |
| (D) "Entry-level trainee" means a person who possesses experience that would qualify the person as a journeyman but for the existence of certain other disqualifying conditions and who receives on-the-job training accompanied by classroom instruction outside of normal working hours. | 172 173 174 175 176 |
| (E) "Journeyman trainee" means a person with journeyman status in a given trade who receives classroom and laboratory training for the purpose of broadening the person's skills and acquainting the person with new techniques and ideas in the trade. | 177 178 179 180 |
| Sec. 4131.03. (A) For the relief of persons who are entitled to receive benefits by virtue of the federal act, there is hereby established a coal-workers pneumoconiosis fund, which shall be separate from the funds established and administered pursuant to Chapter 4123. of the Revised Code. The fund shall consist of premiums and other payments thereto by subscribers who elect to | 181 182 183 184 185 186 |

subscribe to the fund to insure the payment of benefits required 187
by the federal act. 188

(B) The coal-workers pneumoconiosis fund shall be in the 189
custody of the treasurer of state. The bureau of workers' 190
compensation shall make disbursements from the fund to those 191
persons entitled to payment therefrom and in the amounts required 192
pursuant to sections 4131.01 to 4131.06 of the Revised Code. All 193
investment earnings of the fund shall be credited to the fund. 194

The director of natural resources annually may request the 195
administrator of workers' compensation to transfer a portion of 196
the funds from the net position of the coal-workers pneumoconiosis 197
fund to the mining regulation and safety fund created in section 198
1513.30 of the Revised Code for the purposes specified in that 199
section. If the administrator receives a request, the 200
administrator may transfer an amount not to exceed one million 201
dollars on the first day of July or as soon as possible 202
thereafter. 203

The administrator, with the advice and consent of the bureau 204
of workers' compensation board of directors, shall adopt rules in 205
accordance with Chapter 119. of the Revised Code governing the 206
transfer to ensure the solvency of the coal-workers pneumoconiosis 207
fund. For that purpose, the administrator may establish tests in 208
the rules based on measures of net assets, liabilities, expenses, 209
interest, dividend income, or other factors that the administrator 210
determines appropriate that may be applied before a transfer. 211

(C) The administrator shall have the same powers to invest 212
any of the surplus or reserve belonging to the coal-workers 213
pneumoconiosis fund as are delegated to the administrator under 214
section 4123.44 of the Revised Code with respect to the state 215
insurance fund. 216

(D) If the administrator determines that reinsurance of the 217

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| risks of the coal-workers pneumoconiosis fund is necessary to | 218 |
| assure solvency of the fund, the administrator may: | 219 |
| (1) Enter into contracts for the purchase of reinsurance | 220 |
| coverage of the risks of the fund with any company or agency | 221 |
| authorized by law to issue contracts of reinsurance; | 222 |
| (2) Pay the cost of reinsurance from the fund; | 223 |
| (3) Include the costs of reinsurance as a liability and | 224 |
| estimated liability of the fund. | 225 |
| Section 7. That existing sections 4123.038 and 4131.03 of the | 226 |
| Revised Code are hereby repealed. | 227 |