



OHIO CHAMBER OF COMMERCE

BEFORE THE FINANCIAL INSTITUTIONS, INSURANCE, & TECHNOLOGY COMMITTEE INTERESTED PARTY TESTIMONY ON HOUSE BILL 81

Chairman Wilson, Vice Chair Lang, Ranking Member Craig, and members of the Financial Institutions, Insurance, and Technology Committee, thank you for the opportunity to provide interested party testimony on House Bill 81. My name is Kevin Shimp and I am an associate attorney at the law firm Dickinson Wright testifying on behalf of the Ohio Chamber of Commerce.

The Ohio Chamber is the state's leading business advocate. The organization represents over 8,000 companies that do business in Ohio and their mission is to aggressively champion free enterprise, economic competitiveness and growth for the benefit of all Ohioans.

In our efforts to champion economic competitiveness, the Ohio Chamber plays an active role in the state's workers' compensation system. We sit on the nominating committees for the BWC Board of Directors and Industrial Commission, we work closely with BWC Administrators, serve on the Industrial Commission Rules Advisory Task Force, and have sought legislative reforms to make our workers' compensation system work better for employers and injured workers alike.

We commend Governor DeWine, Administrator McCloud, former Administrator Logue, and the BWC Board of Directors for their sound fiscal management of employer dollars that make up one hundred percent of the State Insurance Fund. We also appreciate the open dialogue we have with the Commissioners of the Industrial Commission, who serve the important function of operating the system of administrative appeals for workers' compensation claims.

Thanks to this collaboration and the efforts of many, we are proud to say that Ohio has the 5th lowest workers' compensation premiums in the country; and in fact, the BWC Board of Directors approved another six percent reduction in private employer premiums in February. This move will save employers approximately \$60.1 million next fiscal year.

These premium reductions – which have occurred in every year of Governor DeWine's administration and nineteen times since the turn of the century – are possible due to safer workplaces that have drastically reduced the number of both lost time and medical only

claims in the Buckeye State.

To continue these positive trends and help bolster workplace safety, the Ohio Chamber requests this committee amend House Bill 81 to provide an additional \$7 million for safety grant funding. This additional funding will support employers' ability to access these funds quickly and help the BWC avoid having to pursue appropriation increase at the Controlling Board to match employer demand for the programs.

BWC's Safety Grant programs provide critical funding to help employers of all types and from all industries purchase equipment that helps eliminate injury risks in their workplaces. For private employers, the BWC's Safety Intervention Grant is their best option to pursue funding for safety upgrades. This grant program provides 3 to 1 matching dollars from the BWC up to \$40,000 that employers can use to purchase ergonomic, safety, or industrial hygiene equipment to substantially reduce or eliminate workplace injuries or illnesses.

Additionally, BWC offers body armor grants for law enforcement, firefighter exposure to environmental elements grants, and school safety and security grants. These programs in addition to their employee wellness and drug-free safety program account for the BWC's spending from the Safety Grant appropriation line item, which is currently at \$34.3 million in House Bill 81.

However, employer demand for these programs is outpacing the proposed funding levels. In fact, when the most recent BWC budget appropriated \$35 million to the Safety Grant line item, the Bureau had to pause safety grant applications for a period of time until the Controlling Board could approve additional funding since employer demand exceeded the original appropriation. The Ohio Chamber's request for House Bill 81 seeks to avoid that scenario by increasing safety grant funding to a level that matches employer demand.

In closing, we respectfully request this committee approve an additional \$7 million in safety grant funding because that funding will make Ohio's workplaces safer and avoid unnecessary delays in the application process.

Thank you for the opportunity to testify and I welcome any questions from the committee.