

# AN ACT

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

*Be it enacted by the General Assembly of the State of Ohio:*

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

## BWC BUREAU OF WORKERS' COMPENSATION

### Dedicated Purpose Fund Group

7023	855407	Claims, Risk and Medical Management	\$	120,939,816	\$	124,329,031
7023	855408	Fraud Prevention	\$	14,095,916	\$	14,231,413
7023	855409	Administrative Services	\$	117,250,236	\$	116,025,396
7023	855410	Attorney General Payments	\$	4,621,850	\$	4,621,850
8220	855606	Coal Workers' Fund	\$	186,632	\$	188,487
8230	855608	Marine Industry	\$	78,188	\$	78,698
8250	855605	Disabled Workers Relief Fund	\$	193,419	\$	195,709
8260	855609	Safety and Hygiene Operating	\$	24,079,350	\$	23,745,661
8260	855610	Safety Grants	\$	20,000,000	\$	20,000,000
8260	855611	Health and Safety Initiative	\$	6,000,000	\$	6,000,000
8260	855612	Safety Campaign	\$	1,500,000	\$	1,500,000
8260	855613	Research Grants	\$	2,000,000	\$	2,000,000
8260	855618	Substance Use Recovery and Workplace Safety Program	\$	5,000,000	\$	10,000,000
8260	855619	Safety and Health Center of Excellence	\$	2,000,000	\$	0
TOTAL DPF Dedicated Purpose Fund Group			\$	317,945,407	\$	322,916,245

### Federal Fund Group

3490 855601	OSHA Enforcement	\$	1,676,000	\$	1,676,000
3FW0 855614	BLS SOII Grant	\$	195,104	\$	195,104
3FW0 855615	NIOSH Grant	\$	24,995	\$	0
TOTAL FED Federal Fund Group		\$	1,896,099	\$	1,871,104
TOTAL ALL BUDGET FUND GROUPS		\$	319,841,506	\$	324,787,349

#### WORKERS' COMPENSATION FRAUD UNIT

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 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 855612, Safety Campaign, for the purpose of creating and operating a statewide safety awareness and education campaign.

#### FEDERAL GRANT PROGRAMS

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

#### VOCATIONAL REHABILITATION

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

#### RESEARCH GRANTS

Notwithstanding section 4121.37 of the Revised Code, the Treasurer of State shall remit \$2,000,000 in cash in fiscal year 2020 and \$2,000,000 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 855613, Research Grants, for the purpose of creating and operating the occupational safety and health research program.

#### SUBSTANCE USE RECOVERY AND WORKPLACE SAFETY PROGRAM

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

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

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

#### INTERIM BUDGET RECONCILIATION

All amounts expended or encumbered from interim budget appropriations made in S.B. 172 of the 133rd General Assembly, or any successive act providing such interim budget appropriations shall be deducted from the appropriate line item appropriations made in this act. The Director of Budget and Management shall make any necessary adjustments to the appropriate line item appropriations to carry out this section.

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

SECTION 5. Sections 1 to 5 of this act are exempt from the referendum

under Ohio Constitution, Article II, Section 1d and section 1.471 of the Revised Code and therefore take effect immediately when this act becomes law.

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

Sec. 4123.038. As used in this section and section 4123.039 of the Revised Code:

(A) "Apprentice" and "apprenticeship agreement" have the meaning defined in section ~~4111.25~~ 4139.01 of the Revised Code.

(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.

(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.

(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.

(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.

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

(B) The coal-workers pneumoconiosis fund shall be in the custody of the treasurer of state. The bureau of workers' compensation shall make disbursements from the fund to those persons entitled to payment therefrom and in the amounts required pursuant to sections 4131.01 to 4131.06 of the

Revised Code. All investment earnings of the fund shall be credited to the fund.

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

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

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

(D) If the administrator determines that reinsurance of the risks of the coal-workers pneumoconiosis fund is necessary to assure solvency of the fund, the administrator may:

(1) Enter into contracts for the purchase of reinsurance coverage of the risks of the fund with any company or agency authorized by law to issue contracts of reinsurance;

(2) Pay the cost of reinsurance from the fund;

(3) Include the costs of reinsurance as a liability and estimated liability of the fund.

SECTION 7. That existing sections 4123.038 and 4131.03 of the Revised Code are hereby repealed.

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*Speaker* \_\_\_\_\_ *of the House of Representatives.*

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*President* \_\_\_\_\_ *of the Senate.*

Passed \_\_\_\_\_, 20\_\_\_\_

Approved \_\_\_\_\_, 20\_\_\_\_

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*Governor.*

Am. Sub. H. B. No. 80

133rd G.A.

The section numbering of law of a general and permanent nature is complete and in conformity with the Revised Code.

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*Director, Legislative Service Commission.*

Filed in the office of the Secretary of State at Columbus, Ohio, on the \_\_\_ day of \_\_\_\_\_, A. D. 20\_\_\_\_.

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*Secretary of State.*

File No. \_\_\_\_\_ Effective Date \_\_\_\_\_