### As Reported by the House Insurance Committee

## 134th General Assembly

# Regular Session 2021-2022

Am. H. B. No. 447

#### **Representative Lampton**

#### Cosponsors: Representatives Merrin, Cross, Riedel, Carfagna

### A BILL

То	amend sections 4123.01, 4123.56, and 4123.64 of	1
	the Revised Code regarding workers' compensation	2
	for employees who work from home and other	3
	changes to the Workers' Compensation Law.	_

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

Section 1. That sections 4123.01, 4123.56, and 4123.64 of	5
the Revised Code be amended to read as follows:	6
Sec. 4123.01. As used in this chapter:	7
(A)(1) "Employee" means:	8
(a) Every person in the service of the state, or of any	9
county, municipal corporation, township, or school district	10
therein, including regular members of lawfully constituted	11
police and fire departments of municipal corporations and	12
townships, whether paid or volunteer, and wherever serving	13
within the state or on temporary assignment outside thereof, and	14
executive officers of boards of education, under any appointment	15
or contract of hire, express or implied, oral or written,	16
including any elected official of the state, or of any county,	17
municipal corporation, or township, or members of boards of	18

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education.	19
As used in division (A)(1)(a) of this section, the term	20
"employee" includes the following persons when responding to an	21
inherently dangerous situation that calls for an immediate	22
response on the part of the person, regardless of whether the	23
person is within the limits of the jurisdiction of the person's	24
regular employment or voluntary service when responding, on the	25
condition that the person responds to the situation as the	26
person otherwise would if the person were on duty in the	27
person's jurisdiction:	28
(i) Off-duty peace officers. As used in division (A)(1)(a)	29
(i) of this section, "peace officer" has the same meaning as in	30
section 2935.01 of the Revised Code.	31
(ii) Off-duty firefighters, whether paid or volunteer, of	32
a lawfully constituted fire department.	33
(iii) Off-duty first responders, emergency medical	34
technicians-basic, emergency medical technicians-intermediate,	35
or emergency medical technicians-paramedic, whether paid or	36
volunteer, of an ambulance service organization or emergency	37
medical service organization pursuant to Chapter 4765. of the	38
Revised Code.	39
(b) Every person in the service of any person, firm, or	40
private corporation, including any public service corporation,	41
that (i) employs one or more persons regularly in the same	42
business or in or about the same establishment under any	43
contract of hire, express or implied, oral or written, including	44
aliens and minors, household workers who earn one hundred sixty	45

dollars or more in cash in any calendar quarter from a single

household and casual workers who earn one hundred sixty dollars

administrator of workers' compensation for the person's	102
employment or occupation or who is a self-insuring employer and	103
who has failed to pay compensation and benefits directly to the	104
employer's injured and to the dependents of the employer's	105
killed employees as required by section 4123.35 of the Revised	106
Code, shall be considered as the employee of the person who has	107
entered into a contract, whether written or verbal, with such	108
independent contractor unless such employees or their legal	109
representatives or beneficiaries elect, after injury or death,	110
to regard such independent contractor as the employer.	111

- (d) Every person who operates a vehicle or vessel in the performance of services for or on behalf of a motor carrier transporting property, unless all of the following factors apply to the person:
- (i) The person owns the vehicle or vessel that is used in performing the services for or on behalf of the carrier, or the person leases the vehicle or vessel under a bona fide lease agreement that is not a temporary replacement lease agreement. For purposes of this division, a bona fide lease agreement does not include an agreement between the person and the motor carrier transporting property for which, or on whose behalf, the person provides services.
- (ii) The person is responsible for supplying the necessary personal services to operate the vehicle or vessel used to provide the service.
- (iii) The compensation paid to the person is based on 127 factors related to work performed, including on a mileage-based 128 rate or a percentage of any schedule of rates, and not solely on 129 the basis of the hours or time expended. 130

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(iv) The person substantially controls the means and	131
manner of performing the services, in conformance with	132
regulatory requirements and specifications of the shipper.	133
(v) The person enters into a written contract with the	134
carrier for whom the person is performing the services that	135
describes the relationship between the person and the carrier to	136
be that of an independent contractor and not that of an	137
employee.	138
(vi) The person is responsible for substantially all of	139
the principal operating costs of the vehicle or vessel and	140
equipment used to provide the services, including maintenance,	141
fuel, repairs, supplies, vehicle or vessel insurance, and	142
personal expenses, except that the person may be paid by the	143
carrier the carrier's fuel surcharge and incidental costs,	144
including tolls, permits, and lumper fees.	145
(vii) The person is responsible for any economic loss or	146
economic gain from the arrangement with the carrier.	147
(2) "Employee" does not mean any of the following:	148
(a) A duly ordained, commissioned, or licensed minister or	149
assistant or associate minister of a church in the exercise of	150
ministry;	151
(b) Any officer of a family farm corporation;	152
(c) An individual incorporated as a corporation;	153
(d) An officer of a nonprofit corporation, as defined in	154
section 1702.01 of the Revised Code, who volunteers the person's	155
services as an officer;	156
(e) An individual who otherwise is an employee of an	157
employer but who signs the waiver and affidavit specified in	158

section 4123.15 of the Revised Code on the condition that the	159
administrator has granted a waiver and exception to the	160
individual's employer under section 4123.15 of the Revised Code;	161
(f)(i) A qualifying employee described in division (A)(14)	162
(a) of section 5703.94 of the Revised Code when the qualifying	163
employee is performing disaster work in this state during a	164
disaster response period pursuant to a qualifying solicitation	165
received by the employee's employer;	166
(ii) A qualifying employee described in division (A)(14)	167
(b) of section 5703.94 of the Revised Code when the qualifying	168
employee is performing disaster work in this state during a	169
disaster response period on critical infrastructure owned or	170
used by the employee's employer;	171
(iii) As used in division (A)(2)(f) of this section,	172
"critical infrastructure," "disaster response period," "disaster	173
work," and "qualifying employee" have the same meanings as in	174
section 5703.94 of the Revised Code.	175
Any employer may elect to include as an "employee" within	176
this chapter, any person excluded from the definition of	177
"employee" pursuant to division (A) (1) (d) or (A) (2) (a), (b),	178
(c), or (e) of this section in accordance with rules adopted by	179
the administrator, with the advice and consent of the bureau of	180
workers' compensation board of directors. If an employer is a	181
partnership, sole proprietorship, individual incorporated as a	182
corporation, or family farm corporation, such employer may elect	183
to include as an "employee" within this chapter, any member of	184
such partnership, the owner of the sole proprietorship, the	185
individual incorporated as a corporation, or the officers of the	186
family farm corporation. Nothing in this section shall prohibit	187

a partner, sole proprietor, or any person excluded from the

definition of "employee" pursuant to division (A)(2)(a), (b), (c), or (e) of this section from electing to be included as an "employee" under this chapter in accordance with rules adopted by the administrator, with the advice and consent of the board.

In the event of an election, the employer or person electing coverage shall serve upon the bureau of workers' compensation written notice naming the person to be covered and include the person's remuneration for premium purposes in all future payroll reports. No partner, sole proprietor, or person excluded from the definition of "employee" pursuant to division (A)(1)(d) or (A)(2)(a), (b), (c), or (e) of this section, shall receive benefits or compensation under this chapter until the bureau receives written notice of the election permitted by this section.

For informational purposes only, the bureau shall prescribe such language as it considers appropriate, on such of its forms as it considers appropriate, to advise employers of their right to elect to include as an "employee" within this chapter a sole proprietor, any member of a partnership, or a person excluded from the definition of "employee" under division (A) (1) (d) or (A) (2) (a), (b), (c), or (e) of this section, that they should check any health and disability insurance policy, or other form of health and disability plan or contract, presently covering them, or the purchase of which they may be considering, to determine whether such policy, plan, or contract excludes benefits for illness or injury that they might have elected to have covered by workers' compensation.

#### (B)(1) "Employer" means:

(a) The state, including state hospitals, each county, 217 municipal corporation, township, school district, and hospital 218

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owned b	у г	political	subdivision	or	subdivisions	other	than	the	219
state:									220

(b) Every person, firm, professional employer 221 organization, alternate employer organization, and private 222 corporation, including any public service corporation, that (i) 223 has in service one or more employees or shared employees 224 regularly in the same business or in or about the same 225 establishment under any contract of hire, express or implied, 226 oral or written, or (ii) is bound by any such contract of hire 227 228 or by any other written contract, to pay into the insurance fund 229 the premiums provided by this chapter.

All such employers are subject to this chapter. Any member of a firm or association, who regularly performs manual labor in or about a mine, factory, or other establishment, including a household establishment, shall be considered an employee in determining whether such person, firm, or private corporation, or public service corporation, has in its service, one or more employees and the employer shall report the income derived from such labor to the bureau as part of the payroll of such employer, and such member shall thereupon be entitled to all the benefits of an employee.

(2) "Employer" does not include a franchisor with respect 240 to the franchisor's relationship with a franchisee or an 241 employee of a franchisee, unless the franchisor agrees to assume 242 that role in writing or a court of competent jurisdiction 243 determines that the franchisor exercises a type or degree of 244 control over the franchisee or the franchisee's employees that 245 is not customarily exercised by a franchisor for the purpose of 246 protecting the franchisor's trademark, brand, or both. For 2.47 purposes of this division, "franchisor" and "franchisee" have 248

the same meanings as in 16 C.F.R. 436.1.	249
(C) "Injury" includes any injury, whether caused by	250
external accidental means or accidental in character and result,	251
received in the course of, and arising out of, the injured	252
employee's employment. "Injury" does not include:	253
(1) Psychiatric conditions except where the claimant's	254
psychiatric conditions have arisen from an injury or	255
occupational disease sustained by that claimant or where the	256
claimant's psychiatric conditions have arisen from sexual	257
conduct in which the claimant was forced by threat of physical	258
harm to engage or participate;	259
(2) Injury or disability caused primarily by the natural	260
deterioration of tissue, an organ, or part of the body;	261
(3) Injury or disability incurred in voluntary	262
participation in an employer-sponsored recreation or fitness	263
activity if the employee signs a waiver of the employee's right	264
to compensation or benefits under this chapter prior to engaging	265
in the recreation or fitness activity;	266
(4) Injury or disability sustained by an employee who	267
performs the employee's duties in a work area that is located	268
within the employee's home and that is separate and distinct	269
from the location of the employer, unless all of the following	270
<pre>apply:</pre>	271
(a) The employee's injury or disability arises out of the	272
<pre>employee's employment.</pre>	273
(b) The employee's injury or disability was caused by a	274
special hazard of the employee's employment activity.	275
(c) The employee's injury or disability is sustained in	276

the course of an activity undertaken by the employee for the	277
exclusive benefit of the employer.	278
(5) A condition that pre-existed an injury unless that	279
pre-existing condition is substantially aggravated by the	280
injury. Such a substantial aggravation must be documented by	281
objective diagnostic findings, objective clinical findings, or	282
objective test results. Subjective complaints may be evidence of	283
such a substantial aggravation. However, subjective complaints	284
without objective diagnostic findings, objective clinical	285
findings, or objective test results are insufficient to	286
substantiate a substantial aggravation.	287
(D) "Child" includes a posthumous child and a child	288
legally adopted prior to the injury.	289
(E) "Family farm corporation" means a corporation founded	290
for the purpose of farming agricultural land in which the	291
majority of the voting stock is held by and the majority of the	292
stockholders are persons or the spouse of persons related to	293
each other within the fourth degree of kinship, according to the	294
rules of the civil law, and at least one of the related persons	295
is residing on or actively operating the farm, and none of whose	296
stockholders are a corporation. A family farm corporation does	297
not cease to qualify under this division where, by reason of any	298
devise, bequest, or the operation of the laws of descent or	299
distribution, the ownership of shares of voting stock is	300
transferred to another person, as long as that person is within	301
the degree of kinship stipulated in this division.	302
(F) "Occupational disease" means a disease contracted in	303
the course of employment, which by its causes and the	304
characteristics of its manifestation or the condition of the	305

employment results in a hazard which distinguishes the

employment in character from employment generally, and the	307
employment creates a risk of contracting the disease in greater	308
degree and in a different manner from the public in general.	309
(G) "Self-insuring employer" means an employer who is	310
granted the privilege of paying compensation and benefits	311
directly under section 4123.35 of the Revised Code, including a	312
board of county commissioners for the sole purpose of	313
constructing a sports facility as defined in section 307.696 of	314
the Revised Code, provided that the electors of the county in	315
which the sports facility is to be built have approved	316
construction of a sports facility by ballot election no later	317
than November 6, 1997.	318
(H) "Private employer" means an employer as defined in	319
division (B)(1)(b) of this section.	320
(I) "Professional employer organization" has the same	321
meaning as in section 4125.01 of the Revised Code.	322
(J) "Public employer" means an employer as defined in	323
division (B)(1)(a) of this section.	324
(K) "Sexual conduct" means vaginal intercourse between a	325
male and female; anal intercourse, fellatio, and cunnilingus	326
between persons regardless of gender; and, without privilege to	327
do so, the insertion, however slight, of any part of the body or	328
any instrument, apparatus, or other object into the vaginal or	329
anal cavity of another. Penetration, however slight, is	330
sufficient to complete vaginal or anal intercourse.	331
(L) "Other-states' insurer" means an insurance company	332
that is authorized to provide workers' compensation insurance	333
coverage in any of the states that permit employers to obtain	334
insurance for workers' compensation claims through insurance	335

companies.	336
(M) "Other-states' coverage" means both of the following:	337
(1) Insurance coverage secured by an eligible employer for	338
workers' compensation claims of employees who are in employment	339
relationships localized in a state other than this state or	340
those employees' dependents;	341
(2) Insurance coverage secured by an eligible employer for	342
workers' compensation claims that arise in a state other than	343
this state where an employer elects to obtain coverage through	344
either the administrator or an other-states' insurer.	345
(N) "Limited other-states coverage" means insurance	346
coverage provided by the administrator to an eligible employer	347
for workers' compensation claims of employees who are in an	348
employment relationship localized in this state but are	349
temporarily working in a state other than this state, or those	350
employees' dependents.	351
(O) "Motor carrier" has the same meaning as in section	352
4923.01 of the Revised Code.	353
(P) "Alternate employer organization" has the same meaning	354
as in section 4133.01 of the Revised Code.	355
Sec. 4123.56. (A) Except as provided in division (D) of	356
this section, in the case of temporary disability, an employee	357
shall receive sixty-six and two-thirds per cent of the	358
employee's average weekly wage so long as such disability is	359
total, not to exceed a maximum amount of weekly compensation	360
which is equal to the statewide average weekly wage as defined	361
in division (C) of section 4123.62 of the Revised Code, and not	362
less than a minimum amount of compensation which is equal to	363
thirty-three and one-third per cent of the statewide average	364

weekly wage as defined in division (C) of section 4123.62 of the	365
Revised Code unless the employee's wage is less than thirty-	366
three and one-third per cent of the minimum statewide average	367
weekly wage, in which event the employee shall receive	368
compensation equal to the employee's full wages; provided that	369
for the first twelve weeks of total disability the employee	370
shall receive seventy-two per cent of the employee's full weekly	371
wage, but not to exceed a maximum amount of weekly compensation	372
which is equal to the lesser of the statewide average weekly	373
wage as defined in division (C) of section 4123.62 of the	374
Revised Code or one hundred per cent of the employee's net take-	375
home weekly wage. In the case of a self-insuring employer,	376
payments shall be for a duration based upon the medical reports	377
of the attending physician. If the employer disputes the	378
attending physician's report, payments may be terminated only	379
upon application and hearing by a district hearing officer	380
pursuant to division (C) of section 4123.511 of the Revised	381
Code. Payments shall continue pending the determination of the	382
matter, however payment shall not be made for the period when	383
any employee has returned to work, when an employee's treating	384
physician has made a written statement that the employee is	385
capable of returning to the employee's former position of	386
employment, when work within the physical capabilities of the	387
employee is made available by the employer or another employer,	388
or when the employee has reached the maximum medical	389
improvement. Where the employee is capable of work activity, but	390
the employee's employer is unable to offer the employee any	391
employment, the employee shall register with the director of job	392
and family services, who shall assist the employee in finding	393
suitable employment. The termination of temporary total	394
disability, whether by order or otherwise, does not preclude the	395
commencement of temporary total disability at another point in	396

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time if the employee again becomes temporarily totally disabled.

After two hundred weeks of temporary total disability 398 benefits, the medical section of the bureau of workers' 399 compensation shall may schedule the claimant for an examination 400 for an evaluation to determine whether or not the temporary 401 disability has become permanent. A self-insuring employer shall 402 notify the bureau immediately after payment of two hundred weeks 403 of temporary total disability and. The self-insuring employer 404 may request that the bureau schedule the claimant for such an 405 examination to determine whether the temporary disability has 406 become permanent. 407

When the employee is awarded compensation for temporary 408 total disability for a period for which the employee has 409 received benefits under Chapter 4141. of the Revised Code, the 410 bureau shall pay an amount equal to the amount received from the 411 award to the director of job and family services and the 412 director shall credit the amount to the accounts of the 413 employers to whose accounts the payment of benefits was charged 414 or is chargeable to the extent it was charged or is chargeable. 415

If any compensation under this section has been paid for the same period or periods for which temporary nonoccupational accident and sickness insurance is or has been paid pursuant to an insurance policy or program to which the employer has made the entire contribution or payment for providing insurance or under a nonoccupational accident and sickness program fully funded by the employer, except as otherwise provided in this division compensation paid under this section for the period or periods shall be paid only to the extent by which the payment or payments exceeds the amount of the nonoccupational insurance or program paid or payable. Offset of the compensation shall be

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made only upon the prior order of the bureau or industrial 427 commission or agreement of the claimant. If an employer provides 428 supplemental sick leave benefits in addition to temporary total 429 disability compensation paid under this section, and if the 430 employer and an employee agree in writing to the payment of the 431 supplemental sick leave benefits, temporary total disability 432 benefits may be paid without an offset for those supplemental 433 sick leave benefits. 434

As used in this division, "net take-home weekly wage" means the amount obtained by dividing an employee's total remuneration, as defined in section 4141.01 of the Revised Code, paid to or earned by the employee during the first four of the last five completed calendar quarters which immediately precede the first day of the employee's entitlement to benefits under this division, by the number of weeks during which the employee was paid or earned remuneration during those four quarters, less the amount of local, state, and federal income taxes deducted for each such week.

(B) (1) If an employee in a claim allowed under this 445 chapter suffers a wage loss as a result of returning to 446 employment other than the employee's former position of 447 employment due to an injury or occupational disease, the 448 employee shall receive compensation at sixty-six and two-thirds 449 per cent of the difference between the employee's average weekly 450 wage and the employee's present earnings not to exceed the 451 statewide average weekly wage. The payments may continue for up 452 to a maximum of two hundred weeks, but the payments shall be 453 reduced by the corresponding number of weeks in which the 454 employee receives payments pursuant to division (A)(2) of 455 section 4121.67 of the Revised Code. 456

- (2) If an employee in a claim allowed under this chapter 457 suffers a wage loss as a result of being unable to find 458 employment consistent with the employee's disability resulting 459 from the employee's injury or occupational disease, the employee 460 shall receive compensation at sixty-six and two-thirds per cent 461 of the difference between the employee's average weekly wage and 462 the employee's present earnings, not to exceed the statewide 463 average weekly wage. The payments may continue for up to a 464 maximum of fifty-two weeks. The first twenty-six weeks of 465 payments under division (B)(2) of this section shall be in 466 addition to the maximum of two hundred weeks of payments allowed 467 under division (B)(1) of this section. If an employee in a claim 468 allowed under this chapter receives compensation under division 469 (B)(2) of this section in excess of twenty-six weeks, the number 470 of weeks of compensation allowable under division (B)(1) of this 471 section shall be reduced by the corresponding number of weeks in 472 excess of twenty-six, and up to fifty-two, that is allowable 473 under division (B)(1) of this section. 474
- (3) The number of weeks of wage loss payable to an 475 employee under divisions (B)(1) and (2) of this section shall 476 not exceed two hundred and twenty-six weeks in the aggregate. 477
- (C) In the event an employee of a professional sports 478 franchise domiciled in this state is disabled as the result of 479 an injury or occupational disease, the total amount of payments 480 made under a contract of hire or collective bargaining agreement 481 to the employee during a period of disability is deemed an 482 advanced payment of compensation payable under sections 4123.56 483 to 4123.58 of the Revised Code. The employer shall be reimbursed 484 the total amount of the advanced payments out of any award of 485 compensation made pursuant to sections 4123.56 to 4123.58 of the 486 Revised Code. 487

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- (D) If an employee receives temporary total disability 488 benefits pursuant to division (A) of this section and social 489 security retirement benefits pursuant to the "Social Security 490 Act," the weekly benefit amount under division (A) of this 491 section shall not exceed sixty-six and two-thirds per cent of 492 the statewide average weekly wage as defined in division (C) of 493 section 4123.62 of the Revised Code.
- (E) If an employee is eligible for compensation under 495 division (A) of this section, but the employee's full weekly 496 497 wage has not been determined at the time payments are to commence under division (H) of section 4123.511 of the Revised 498 Code, the employee shall receive thirty-three and one-third per 499 cent of the statewide average weekly wage as defined in division 500 (C) of section 4123.62 of the Revised Code. On determination of 501 the employee's full weekly wage, the compensation an employee 502 receives shall be adjusted pursuant to division (A) of this 503 section. 504

If the amount of compensation an employee receives under 505 this division is greater than the adjusted amount the employee 506 receives under division (A) of this section that is based on the 507 employee's full weekly wage, the excess amount shall be 508 recovered in the manner provided in division (K) of section 509 4123.511 of the Revised Code. If the amount of compensation an 510 employee receives under this division is less than the adjusted 511 amount the employee receives under that division that is based 512 on the employee's full weekly wage, the employee shall receive 513 the difference between those two amounts. 514

(F) If an employee is unable to work or suffers a wage loss as the direct result of an impairment arising from an injury or occupational disease, the employee is entitled to

receive compensation under this section, provided the employee	518
is otherwise qualified. If an employee is not working or has	519
suffered a wage loss as the direct result of reasons unrelated	520
to the allowed injury or occupational disease, the employee is	521
not eligible to receive compensation under this section. It is	522
the intent of the general assembly to supersede any previous	523
judicial decision that applied the doctrine of voluntary	524
abandonment to a claim brought under this section.	525
Sec. 4123.64. (A) The administrator of workers'	526
compensation, under special circumstances, and when the same is	527
deemed advisable for the purpose of rendering the injured or	528
disabled employee financial relief or for the purpose of	529
furthering <a href="https://doi.org/10.1016/journal.com/">https://doi.org/10.1016/journal.com/</a> or disabled employee's rehabilitation,	530
may commute payments of compensation or benefits to one or more	531
<pre>lump-sum payments.</pre>	532
(B) The administrator shall adopt rules which set forth	533
the policy for awarding lump sum payments. The rules shall:	534
(1) Enumerate the allowable purposes for payments and the	535
conditions for making such awards;	536
(2) Enumerate the maximum reduction in compensation	537
allowable;	538
(3) Enumerate the documentation necessary to award a lump-	539
<pre>sum payment;</pre>	540
(4) Require that all checks include the claimant as a	541
payee, except where the check is for the payment of attorney's	542
fees in accordance with section 4123.06 of the Revised Code, in	543
which case the attorney shall be named as the only payee on the	544
check;	545

(5) Require a fully completed and current application

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including notary and seal; and	547
(6) Specify procedures to make a claimant aware of the	548
reduction in amount of compensation which will occur.	549
(C) An order of the administrator issued under this	550
section is appealable pursuant to section 4123.511 of the	551
Revised Code but is not appealable to court under section	552
4123.512 of the Revised Code.	553
Section 2. That existing sections 4123.01, 4123.56, and	554
4123.64 of the Revised Code are hereby repealed.	555