As Reported by the Senate Insurance Committee

134th General Assembly

Regular Session

Am. H. B. No. 447

2021-2022

Representative Lampton

Cosponsors: Representatives Merrin, Cross, Riedel, Carfagna, Baldridge, Bird, Carruthers, Crossman, Cutrona, Edwards, Fowler Arthur, Fraizer, Galonski, Ghanbari, Grendell, Hillyer, Jarrells, Jones, Lanese, LaRe, Loychik, McClain, Miller, A., Miller, J., Miranda, O'Brien, Patton, Pavliga, Richardson, Roemer, Russo, Schmidt, Seitz, Stephens, Troy, West

Senators Hottinger, Brenner

A BILL

To amend sections 4123.01, 4123.56, and 4123.64 of	1
the Revised Code regarding workers' compensatio	n 2
for employees who work from home and other	3
changes to the Workers' Compensation Law.	4

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

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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
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 2.7 person's jurisdiction: 28

- (i) Off-duty peace officers. As used in division (A) (1) (a)(i) of this section, "peace officer" has the same meaning as in section 2935.01 of the Revised Code.
- (ii) Off-duty firefighters, whether paid or volunteer, of a lawfully constituted fire department.
- (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, or40private corporation, including any public service corporation,41that (i) employs one or more persons regularly in the same42

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	46
household and casual workers who earn one hundred sixty dollars	47
or more in cash in any calendar quarter from a single employer,	48
or (ii) is bound by any such contract of hire or by any other	49
written contract, to pay into the state insurance fund the	50
premiums provided by this chapter.	51
(c) Every person who performs labor or provides services	52
pursuant to a construction contract, as defined in section	53
4123.79 of the Revised Code, if at least ten of the following	54
criteria apply:	55
(i) The person is required to comply with instructions	56
from the other contracting party regarding the manner or method	57
of performing services;	58
(ii) The person is required by the other contracting party	59
to have particular training;	60
(iii) The person's services are integrated into the	61
regular functioning of the other contracting party;	62
(iv) The person is required to perform the work	63
personally;	64
(v) The person is hired, supervised, or paid by the other	65
contracting party;	66
(vi) A continuing relationship exists between the person	67
and the other contracting party that contemplates continuing or	68
recurring work even if the work is not full time;	69
(vii) The person's hours of work are established by the	70

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the other contracting party without incurring liability pursuant to an employment contract or agreement.

Every person in the service of any independent contractor 99 or subcontractor who has failed to pay into the state insurance 100 fund the amount of premium determined and fixed by the 101 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.

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(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
(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

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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 188 definition of "employee" pursuant to division (A)(2)(a), (b), 189 (c), or (e) of this section from electing to be included as an 190 "employee" under this chapter in accordance with rules adopted 191 by the administrator, with the advice and consent of the board. 192

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 203 prescribe such language as it considers appropriate, on such of 204 its forms as it considers appropriate, to advise employers of 205 their right to elect to include as an "employee" within this 206 chapter a sole proprietor, any member of a partnership, or a 207 person excluded from the definition of "employee" under division 208 (A)(1)(d) or (A)(2)(a), (b), (c), or (e) of this section, that 209 they should check any health and disability insurance policy, or 210 other form of health and disability plan or contract, presently 211 covering them, or the purchase of which they may be considering, 212 to determine whether such policy, plan, or contract excludes 213 benefits for illness or injury that they might have elected to 214

have covered by workers' compensation.	215
(B)(1) "Employer" means:	216
(a) The state, including state hospitals, each county,	217
municipal corporation, township, school district, and hospital	218
owned by a 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
or by any other written contract, to pay into the insurance fund	228
the premiums provided by this chapter.	229
All such employers are subject to this chapter. Any member	230
of a firm or association, who regularly performs manual labor in	231
or about a mine, factory, or other establishment, including a	232
household establishment, shall be considered an employee in	233
determining whether such person, firm, or private corporation,	234
or public service corporation, has in its service, one or more	235
employees and the employer shall report the income derived from	236
such labor to the bureau as part of the payroll of such	237
employer, and such member shall thereupon be entitled to all the	238
benefits of an employee.	239
(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

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	247
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

employee's employment.	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

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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 306 employment in character from employment generally, and the 307 employment creates a risk of contracting the disease in greater 308 309 degree and in a different manner from the public in general. (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. 322 323 (J) "Public employer" means an employer as defined in 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

anal cavity of another. Penetration, however slight, is

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

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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
time if the employee again becomes temporarily totally disabled.	397

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 411 412 award to the director of job and family services and the 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

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under a nonoccupational accident and sickness program fully 421 funded by the employer, except as otherwise provided in this 422 division compensation paid under this section for the period or 423 periods shall be paid only to the extent by which the payment or 424 payments exceeds the amount of the nonoccupational insurance or 425 program paid or payable. Offset of the compensation shall be 426 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

chapter suffers a wage loss as a result of returning to

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employment other than the employee's former position of

employment due to an injury or occupational disease, the

employee shall receive compensation at sixty-six and two-thirds

per cent of the difference between the employee's average weekly

wage and the employee's present earnings not to exceed the

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statewide average weekly wage. The payments may continue for up

to a maximum of two hundred weeks, but the payments shall be

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reduced by the corresponding number of weeks in which the

employee receives payments pursuant to division (A)(2) of

section 4121.67 of the Revised Code.

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- (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 460 461 shall receive compensation at sixty-six and two-thirds per cent 462 of the difference between the employee's average weekly wage and 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 employee under divisions (B)(1) and (2) of this section shall not exceed two hundred and twenty-six weeks in the aggregate.
- (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
advanced payment of compensation payable under sections 4123.56
to 4123.58 of the Revised Code. The employer shall be reimbursed
the total amount of the advanced payments out of any award of
compensation made pursuant to sections 4123.56 to 4123.58 of the
Revised Code.

- (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 wage has not been determined at the time payments are to 497 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
this division is greater than the adjusted amount the employee
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receives under division (A) of this section that is based on the
employee's full weekly wage, the excess amount shall be
recovered in the manner provided in division (K) of section
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4123.511 of the Revised Code. If the amount of compensation an
employee receives under this division is less than the adjusted
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(3) Enumerate the documentation necessary to award a lump-

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allowable;

sum payment;

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(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	546
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

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