As Passed by the Senate

125th General Assembly Regular Session 2003-2004

Am. Sub. H. B. No. 183

Representatives Daniels, Allen, C. Evans, Seitz, Setzer, Raga, Ujvagi, Young, McGregor, Barrett, Carano, Cates, Chandler, Cirelli, Clancy, DeBose, Domenick, Jolivette, Niehaus, Olman, T. Patton, Schaffer, Schlichter, Schmidt, Webster, Yates

Senators Fedor, Prentiss, Nein, Carey, Padgett, Zurz, DiDonato, Austria

ABILL

То	amend sections 121.083, 3781.10, 3781.19, 4123.01,	1
	and 4123.291; to enact new sections 4104.41,	2
	4104.42, 4104.43, 4104.44, and 4104.45 and	3
	sections 4125.01 to 4125.09 and 4125.99; and to	4
	repeal sections 4104.41, 4104.42, 4104.43,	5
	4104.44, 4104.45, and 4104.47 of the Revised Code	6
	and to amend Section 3 of Sub. H.B. 75 of the	7
	124th General Assembly to register professional	8
	employer organizations for purposes of enforcing	9
	compliance with workers' compensation laws, to	10
	extend the time period wherein the Administrator	11
	of Workers' Compensation is permitted to grant	12
	immediate allowance of specified medical	13
	conditions, to exclude from required workers'	14
	compensation coverage an individual incorporated	15
	as a corporation, and to adopt a new Ohio pressure	16
	piping law.	17

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

Section 1. That sections 121.083, 3781.10, 3781.19, 4123.01,	18
and 4123.291 be amended and new sections 4104.41, 4104.42,	19
4104.43, 4104.44, and 4104.45 and sections 4125.01, 4125.02,	20
4125.03, 4125.04, 4125.05, 4125.06, 4125.07, 4125.08, 4125.09, and	21
4125.99 of the Revised Code be enacted to read as follows:	22
Sec. 121.083. The superintendent of the division of	23
industrial compliance in the department of commerce shall:	24
(A) Administer and enforce the general laws of this state	25
pertaining to buildings, pressure piping, boilers, bedding,	26
upholstered furniture, and stuffed toys, steam engineering,	27
elevators, plumbing, licensed occupations regulated by the	28
department, and travel agents, as they apply to plans review,	29
inspection, code enforcement, testing, licensing, registration,	30
and certification.	31
$\frac{(C)}{(B)}$ Collect and collate statistics as are necessary.	32
$\frac{(D)(C)}{(C)}$ Examine and license persons who desire to act as steam	33
engineers, to operate steam boilers, and to act as inspectors of	34
steam boilers, provide for the scope, conduct, and time of such	35
examinations, provide for, regulate, and enforce the renewal and	36
revocation of such licenses, inspect and examine steam boilers and	37
make, publish, and enforce rules and orders for the construction,	38
installation, inspection, and operation of steam boilers, and do,	39
require, and enforce all things necessary to make such	40
examination, inspection, and requirement efficient.	41
$\frac{(E)}{(D)}$ Rent and furnish offices as needed in cities in this	42
state for the conduct of its affairs.	43
$\frac{(F)(E)}{(E)}$ Oversee a chief of construction and compliance, a	44
chief of operations and maintenance, a chief of licensing and	45
certification, and other designees appointed by the director of	46
commerce to perform the duties described in this section.	47

(F) Enforce the rules the board of building standards adopts	48
pursuant to division (A)(2) of section 4104.43 of the Revised Code	49
under the circumstances described in division (D) of that section.	50
(G) Accept submissions, establish a fee for submissions, and	51
review submissions of certified welding and brazing procedure	52
specifications, procedure qualification records, and performance	53
qualification records for building services piping as required by	54
section 4104.44 of the Revised Code.	55

Sec. 3781.10. The board of building standards shall:

(A) Formulate and adopt rules governing the erection, 57 construction, repair, alteration, and maintenance of all buildings 58 or classes of buildings specified in section 3781.06 of the 59 Revised Code, including land area incidental thereto, the 60 construction of industrialized units, the installation of 61 equipment, and the standards or requirements for materials to be 62 used in connection therewith. The standards shall relate to the 63 conservation of energy in and to the safety and sanitation of such 64 buildings. The rules shall be the lawful minimum requirements 65 specified for such buildings or industrialized units, except that 66 no rule, except as provided in division (C) of section 3781.108 of 67 the Revised Code, which specifies a higher requirement than is 68 imposed by any section of the Revised Code shall be enforceable; 69 the rules shall be acceptable as complete lawful alternatives to 70 the requirements specified for such buildings or industrialized 71 units in any section of the Revised Code; and the board shall on 72 its own motion, or on application made under sections 3781.12 and 73 3781.13 of the Revised Code, formulate, propose, adopt, modify, 74 amend, or repeal the rules to the extent necessary or desirable to 75 effectuate the purposes of sections 3781.06 to 3781.18 of the 76 Revised Code. 77

(B) Formulate and report to the general assembly such

79 amendments in existing statutes relating to the purposes declared in section 3781.06 of the Revised Code as public health and safety 80 and the development of the arts require and such additional 81 legislation as it recommends with a view to carrying out fully, in 82 statutory form, the purposes declared in such section; and prepare 83 and submit to the general assembly a summary report of the number, 84 nature, and disposition of the petitions filed under sections 85 3781.13 and 3781.14 of the Revised Code; 86

(C) Determine by rule, on its own motion or on application 87 made under sections 3781.12 and 3781.13 of the Revised Code, and 88 after thorough testing and evaluation that any particular fixture, 89 device, material, process of manufacture, manufactured unit or 90 component, method of manufacture, system, or method of 91 construction, complies with performance standards adopted pursuant 92 to section 3781.11 of the Revised Code, having regard to its 93 adaptability for safe and sanitary erection, use, or construction, 94 to that described in any section of the Revised Code, wherever the 95 use of a fixture, device, material, method of manufacture, system, 96 or method of construction which is described in such section of 97 the Revised Code, is permitted by law; and on like application 98 amend or annul any such rule or issue an authorization for the use 99 of a new material or manufactured unit; and no department, 100 officer, board, or commission of the state other than the board of 101 building standards or the board of building appeals shall permit 102 the use of any fixture, device, material, method of manufacture, 103 newly designed product, system, or method of construction at 104 variance with what is described in any rule adopted or 105 authorization issued by the board of building standards or in any 106 section of the Revised Code. Nothing in this section shall be 107 construed as requiring approval, by rule, of plans for an 108 industrialized unit that conforms with the rules adopted by the 109 board of building standards pursuant to section 3781.11 of the 110 Revised Code. 111

- (D) Recommend to the bureau of workers' compensation, the 112 director of commerce, or any other department, officer, board, or 113 commission of the state, and to legislative authorities and 114 building departments of counties, townships, and municipal 115 corporations, the making, amending, fixing, or ordaining by such 116 appropriate action as such state, county, township, or municipal 117 authorities may be empowered by law or the constitution to take, 118 of such rules, codes, or standards as shall tend to carry out the 119 purposes declared in section 3781.06 of the Revised Code, with a 120 view to securing uniformity of state administrative ruling; and 121 local legislation and administrative action; 122
- (E) Certify municipal, township, and county building 123 departments to exercise enforcement authority, to accept and 124 approve plans and specifications, and to make inspections, 125 pursuant to sections 3781.03 and, 3791.04, and 4104.43 of the 126 Revised Code.

The board also shall certify personnel of municipal, 128 township, and county building departments, and persons and 129 employees of persons, firms, or corporations as described in 130 divisions (E)(1) and (2) of this section, to exercise enforcement 131 authority, to accept and approve plans and specifications, and to 132 make inspections, pursuant to sections 3781.03 and, 3791.04, and 133 4104.45 of the Revised Code. The board shall specify, in rules 134 adopted pursuant to Chapter 119. of the Revised Code, the 135 requirements that shall be satisfied for certification purposes, 136 which requirements shall be consistent with this division. Except 137 as otherwise provided in this division, the requirements shall 138 include, but are not limited to, the satisfactory completion of an 139 initial examination and, in order to remain certified, the 140 completion of a specified number of hours of continuing building 141 code education within each three-year period following the date of 142 certification. In adopting the requirements, the board shall not 143

(a) Officers or employees of the municipal corporation,

township, or county;

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pursuant to such contract.

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(b) Persons, or employees of persons, firms, or corporations, 175 when such persons, firms, or corporations are under contract to 176 furnish architectural or engineering services to the municipal 177 corporation, township, or county, and such authority is exercised 178 pursuant to such contract; 179 (c) Officers or employees of any other municipal corporation, 180 township, county, health district, or other political subdivision, 181 or persons or employees of persons, firms, or corporations under 182 contract with the same pursuant to division (E)(1)(b) of this 183 section, when such other municipal corporation, township, county, 184 health district, or other political subdivision is under contract 185 to furnish architectural or engineering services to the municipal 186 corporation, township, or county, and such authority is exercised 187 pursuant to such contract. 188 (2) Enforcement authority for inspections may be exercised, 189 and inspections may be made, on behalf of a municipal corporation, 190 township, or county, by any of the following who are certified by 191 the board of building standards: 192 (a) Officers or employees of the municipal corporation, 193 township, or county; 194 (b) Persons, or employees of persons, firms, or corporations, 195 when such persons, firms, or corporations are under contract to 196 furnish inspection services to the municipal corporation, 197 township, or county, and such authority is exercised pursuant to 198 such contract; 199 (c) Officers or employees of any other municipal corporation, 200 township, county, health district, or other political subdivision 201 under contract to furnish inspection services to the municipal 202 corporation, township, or county, when such authority is exercised 203

(3) Municipal, township, and county building departments

any authority given by the Ohio building code over any labor, 236 material, or equipment furnished by the employee or person for the 237 construction, alteration, or maintenance of a building or the 238 preparation of working drawings or specifications for work within 239 the jurisdictional area of the department. The department shall 240 provide other similarly qualified personnel to enforce the 241 requirements of the Ohio building code as it pertains to such 242 243 work.

- (b) The minimum services to be provided by a certified 244 building department. 245
- (6) Such certification may be revoked or suspended with 246 respect to any or all of the building occupancies to which it 247 relates on petition to the board of building standards by any 248 person affected by such enforcement or approval of plans, or by 249 the board on its own motion. Hearings shall be held and appeals 250 permitted on any such proceedings for certification or for 251 revocation or suspension of certification in the same manner as 252 provided in section 3781.101 of the Revised Code for other 253 proceedings of the board of building standards. 254
- (7) Upon certification, and until such authority is revoked, 255 county and township building departments shall enforce such rules 256 over those occupancies listed in the application without regard to 257 limitation upon the authority of boards of county commissioners 258 under Chapter 307. of the Revised Code or boards of township 259 trustees under Chapter 505. of the Revised Code. 260
- (F) Conduct such hearings, in addition to those required by
 sections 3781.06 to 3781.18 and 3791.04 of the Revised Code, and
 make such investigations and tests, and require from other state
 departments, officers, boards, and commissions such information as
 the board considers necessary or desirable in order to assist it
 in the discharge of any duty or in the exercise of any power
 mentioned in this section or in sections 3781.06 to 3781.18 and,

was appointed shall hold office for the remainder of such term.

Any member shall continue in office subsequent to the expiration

date of the member's term until a successor takes office, or until

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a period of sixty days has elapsed, whichever occurs first. One	299
member shall be an attorney-at-law, admitted to the bar of this	300
state and of the remaining members, one shall be a registered	301
architect and one shall be a professional engineer, each of whom	302
shall be duly licensed to practice their respective professions in	303
this state, one shall be a fire prevention officer qualified under	304
section 3737.66 of the Revised Code, and one shall be a person	305
with recognized ability in the plumbing or pipefitting profession.	306
No member of the board of building standards shall be a member of	307
the board of building appeals. Each member shall be paid an amount	308
fixed pursuant to Chapter 124. of the Revised Code per diem. The	309
department shall provide and assign to the board such employees as	310
are required by the board to perform its functions. The board may	311
adopt its own rules of procedure not inconsistent with sections	312
3781.06 to 3781.18 and 3791.04 of the Revised Code, and may change	313
them in its discretion. The board may establish reasonable fees,	314
based on actual costs for administration of filing and processing,	315
not to exceed two hundred dollars, for the costs of filing and	316
processing appeals. A full and complete record of all proceedings	317
of the board shall be kept and be open to public inspection.	318

In the enforcement by any department of the state or any 319 political subdivision of this chapter and Chapter 3791., and 320 sections 3737.41, 3737.42, 4104.02, 4104.06, 4104.43, 4104.44, 321 4104.45, 4105.011, and 4105.11 of the Revised Code and any rule 322 made thereunder, such department is the agency referred to in 323 sections 119.07, 119.08, and 119.10 of the Revised Code. 324

The appropriate municipal or county board of appeals, where 325 one exists, certified pursuant to section 3781.20 of the Revised 326 Code shall conduct the adjudication hearing referred to in 327 sections 119.09 to 119.13 and required by section 3781.031 of the 328 Revised Code. If there is no certified municipal or county board 329 of appeals, the board of building appeals shall conduct the 330

adjudication hearing. If the adjudication hearing concerns section	331
3781.111 of the Revised Code or any rule made thereunder,	332
reasonable notice of the time, date, place, and subject of the	333
hearing shall be given to any local corporation, association, or	334
other organization composed of or representing handicapped	335
persons, as defined in section 3781.111 of the Revised Code, or if	336
there is no local organization, then to any statewide corporation,	337
association, or other organization composed of or representing	338
handicapped persons.	339

In addition to the provisions of Chapter 119. of the Revised 340 Code, the municipal, county, or state board of building appeals, 341 as the agency conducting the adjudication hearing, may reverse or 342 modify the order of the enforcing agency if it finds that the 343 order is contrary to this chapter and Chapters 3791. and 4104., 344 and sections 3737.41, 3737.42, 4105.011 and 4105.11 of the Revised 345 Code and any rule made thereunder or to a fair interpretation or 346 application of such laws or any rule made thereunder, or that a 347 variance from the provisions of such laws or any rule made 348 thereunder, in the specific case, will not be contrary to the 349 public interest where a literal enforcement of such provisions 350 will result in unnecessary hardship. 351

The state board of building appeals or a certified municipal 352 or county board of appeals shall render its decision within thirty 353 days after the date of the adjudication hearing. Following the 354 adjudication hearing, any municipal or county officer, official 355 municipal or county board, or person who was a party to the 356 hearing before the municipal or county board of appeals may apply 357 to the state board of appeals for a de novo hearing before the 358 state board, or may appeal directly to the court of common pleas 359 pursuant to section 3781.031 of the Revised Code. 360

In addition, any local corporation, association, or other 361 organization composed of or representing handicapped persons as 362

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medical gas systems; medical oxygen systems; medical vacuum	394
systems; fire protection piping systems and compressed air in dry	395
systems; refrigeration, chilled water, condenser, cooling tower	396
water, brine, and water/antifreeze systems; steam, steam	397
condensate, and hot water piping systems; heating and cooling	398
piping systems; and fuel oil piping and fuel gas piping for	399
heating, cooling, and cooking applications.	400
(B) "Power piping" means piping systems and their component	401
parts, that are not building services piping systems, and that may	402
be installed within electric power generating stations, industrial	403
and institutional plants, utility geothermal heating systems, and	404
central and district heating and cooling systems. "Power piping"	405
includes, but is not limited to, piping used in the distribution	406
of plant and process steam at boiler pressures greater than	407
fifteen pounds per square inch gauge, high temperature water	408
piping from high pressure and high temperature boilers, power	409
boiler steam condensate piping, high pressure and high temperature	410
water condensate piping, and compressed air and hydraulic piping	411
upstream of the first stop valve off a system distribution header.	412
(C) "Process piping" means piping systems and their component	413
parts, that are not building services or power piping systems, and	414
that may be installed in petroleum refineries, chemical,	415
pharmaceutical, textile, paper, semiconductor, and cryogenic	416
plants, and related processing plants and terminals.	417
Sec. 4104.42. (A) The owner of any power piping or process	418
piping system shall ensure that all of the following are performed	419
in compliance with applicable sections of the B31 standards	420
contained in the code for pressure piping, published by the	421
American society of mechanical engineers:	422
(1) The design, fabrication, assembly, installation, testing,	423
examination, and inspection of power and process piping systems;	424

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Sec. 4104.43. (A)(1) The board of building standards shall	454
adopt rules establishing requirements for the design,	455
installation, inspection of and design review procedure for	456
building services piping.	457
(2) The board of building standards shall adopt rules	458
establishing requirements for the design, installation, inspection	459
of and design review procedure for nonflammable medical gas,	460
medical oxygen, and medical vacuum piping systems.	461
(B) A municipal, township, or county building department	462
certified under division (E) of section 3781.10 of the Revised	463
Code shall enforce the rules the board adopts pursuant to division	464
(A)(2) of this section if that building department requests and	465
obtains special certification to enforce those rules.	466
(C) In a health district where no municipal, township, or	467
county building department is specially certified under division	468
(B) of this section, an employee of the health district shall	469
enforce the rules adopted pursuant to division (A)(2) of this	470
section if both of the following conditions are satisfied:	471
(1) The health district employee requests and obtains special	472
certification by the board to enforce those rules.	473
(2) The health district notifies the superintendent of the	474
division of industrial compliance in the department of commerce	475
that the health district's specially certified employee shall	476
enforce those rules.	477
(D) In a jurisdiction where enforcement authority as	478
described in divisions (B) and (C) of this section does not exist,	479
the superintendent of the division of industrial compliance shall	480
enforce the rules the board adopts pursuant to division (A)(2) of	481
this section.	482

Sec. 4104.44. All welding and brazing of metallic piping	483
systems shall be performed in accordance with section IX of the	484
boiler and pressure vessel code, published by the American society	485
of mechanical engineers. The owner shall maintain, at the job	486
site, the certified performance qualification records of all	487
welders and brazers employed at the facility. The owner shall	488
submit copies of all certified welding and brazing procedure	489
specifications, procedure qualification records, and performance	490
qualification records for building services piping for review to	491
the superintendent of the division of industrial compliance in the	492
department of commerce in accordance with rules the superintendent	493
adopts. The submission shall be accompanied by the fee the	494
superintendent establishes.	495
Sec. 4104.45. A person who inspects the installation of or	496
witnesses the testing of any nonflammable medical gas and vacuum	497
piping system shall be certified to do so pursuant to division (E)	498
of section 3781.10 of the Revised Code.	499
Sec. 4123.01. As used in this chapter:	500
(A)(1) "Employee" means:	501
(a) Every person in the service of the state, or of any	502
county, municipal corporation, township, or school district	503
therein, including regular members of lawfully constituted police	504
and fire departments of municipal corporations and townships,	505
whether paid or volunteer, and wherever serving within the state	506
or on temporary assignment outside thereof, and executive officers	507
of boards of education, under any appointment or contract of hire,	508
express or implied, oral or written, including any elected	509
official of the state, or of any county, municipal corporation, or	510
township, or members of boards of education.	511

As used in division $(A)(1)(a)$ of this section, the term	512
"employee" includes the following persons when responding to an	513
inherently dangerous situation that calls for an immediate	514
response on the part of the person, regardless of whether the	515
person is within the limits of the jurisdiction of the person's	516
regular employment or voluntary service when responding, on the	517
condition that the person responds to the situation as the person	518
otherwise would if the person were on duty in the person's	519
jurisdiction:	520
(i) Off-duty peace officers. As used in division (A)(1)(a)(i)	521
of this section, "peace officer" has the same meaning as in	522
section 2935.01 of the Revised Code.	523
(ii) Off-duty firefighters, whether paid or volunteer, of a	524
lawfully constituted fire department.	525
(iii) Off-duty first responders, emergency medical	526
technicians-basic, emergency medical technicians-intermediate, or	527
emergency medical technicians-paramedic, whether paid or	528
volunteer, of an ambulance service organization or emergency	529
medical service organization pursuant to Chapter 4765. of the	530
Revised Code.	531
(b) Every person in the service of any person, firm, or	532
private corporation, including any public service corporation,	533
that (i) employs one or more persons regularly in the same	534
business or in or about the same establishment under any contract	535
of hire, express or implied, oral or written, including aliens and	536
minors, household workers who earn one hundred sixty dollars or	537
more in cash in any calendar quarter from a single household and	538
casual workers who earn one hundred sixty dollars or more in cash	539
in any calendar quarter from a single employer, or (ii) is bound	540
by any such contract of hire or by any other written contract, to	541

pay into the state insurance fund the premiums provided by this

(2) "Employee" does not mean:	602
(a) A duly ordained, commissioned, or licensed minister or	603
assistant or associate minister of a church in the exercise of	604
ministry;	605
(b) Any officer of a family farm corporation; or	606
(c) An individual incorporated as a corporation; or	607
(d) An individual who otherwise is an employee of an employer	608
but who signs the waiver and affidavit specified in section	609
4123.15 of the Revised Code on the condition that the	610
administrator has granted a waiver and exception to the	611
individual's employer under section 4123.15 of the Revised Code.	612
Any employer may elect to include as an "employee" within	613
this chapter, any person excluded from the definition of	614
"employee" pursuant to division (A)(2) of this section. If an	615
employer is a partnership, sole proprietorship, individual	616
incorporated as a corporation, or family farm corporation, such	617
employer may elect to include as an "employee" within this	618
chapter, any member of such partnership, the owner of the sole	619
proprietorship, the individual incorporated as a corporation, or	620
the officers of the family farm corporation. In the event of an	621
election, the employer shall serve upon the bureau of workers'	622
compensation written notice naming the persons to be covered,	623
include such employee's remuneration for premium purposes in all	624
future payroll reports, and no person excluded from the definition	625
of "employee" pursuant to division (A)(2) of this section,	626
proprietor, individual incorporated as a corporation, or partner	627
shall be deemed an employee within this division until the	628
employer has served such notice.	629
For informational purposes only, the bureau shall prescribe	630
such language as it considers appropriate, on such of its forms as	631

it considers appropriate, to advise employers of their right to

elect to include as an "employee" within this chapter a sole 633 proprietor, any member of a partnership, an individual 634 incorporated as a corporation, the officers of a family farm 635 corporation, or a person excluded from the definition of 636 "employee" under division (A)(2)(a) of this section, that they 637 should check any health and disability insurance policy, or other 638 form of health and disability plan or contract, presently covering 639 them, or the purchase of which they may be considering, to 640 determine whether such policy, plan, or contract excludes benefits 641 for illness or injury that they might have elected to have covered 642 by workers' compensation. 643

- (B) "Employer" means:
- (1) The state, including state hospitals, each county,

 municipal corporation, township, school district, and hospital

 owned by a political subdivision or subdivisions other than the

 state;

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- (2) Every person, firm, professional employer organization as 649 defined in section 4125.01 of the Revised Code, and private 650 corporation, including any public service corporation, that (a) 651 has in service one or more employees or shared employees regularly 652 in the same business or in or about the same establishment under 653 any contract of hire, express or implied, oral or written, or (b) 654 is bound by any such contract of hire or by any other written 655 contract, to pay into the insurance fund the premiums provided by 656 this chapter. 657

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

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such labor to the bureau as part of the payroll of such employer, 665 and such member shall thereupon be entitled to all the benefits of 666 an employee. 667

- (C) "Injury" includes any injury, whether caused by external 668 accidental means or accidental in character and result, received 669 in the course of, and arising out of, the injured employee's 670 employment. "Injury" does not include: 671
- (1) Psychiatric conditions except where the conditions have 672 arisen from an injury or occupational disease; 673
- (2) Injury or disability caused primarily by the natural 674 deterioration of tissue, an organ, or part of the body; 675
- (3) Injury or disability incurred in voluntary participation 676 in an employer-sponsored recreation or fitness activity if the 677 employee signs a waiver of the employee's right to compensation or 678 benefits under this chapter prior to engaging in the recreation or 679 fitness activity.
- (D) "Child" includes a posthumous child and a child legally 681 adopted prior to the injury. 682
- (E) "Family farm corporation" means a corporation founded for 683 the purpose of farming agricultural land in which the majority of 684 the voting stock is held by and the majority of the stockholders 685 are persons or the spouse of persons related to each other within 686 the fourth degree of kinship, according to the rules of the civil 687 law, and at least one of the related persons is residing on or 688 actively operating the farm, and none of whose stockholders are a 689 corporation. A family farm corporation does not cease to qualify 690 under this division where, by reason of any devise, bequest, or 691 the operation of the laws of descent or distribution, the 692 ownership of shares of voting stock is transferred to another 693 person, as long as that person is within the degree of kinship 694 stipulated in this division. 695

(F) "Occupational disease" means a disease contracted in the	696
course of employment, which by its causes and the characteristics	697
of its manifestation or the condition of the employment results in	698
a hazard which distinguishes the employment in character from	699
employment generally, and the employment creates a risk of	700
contracting the disease in greater degree and in a different	701
manner from the public in general.	702
(G) "Self-insuring employer" means an employer who is granted	703
the privilege of paying compensation and benefits directly under	704
section 4123.35 of the Revised Code, including a board of county	705
commissioners for the sole purpose of constructing a sports	706
facility as defined in section 307.696 of the Revised Code,	707
provided that the electors of the county in which the sports	708
facility is to be built have approved construction of a sports	709
facility by ballot election no later than November 6, 1997.	710

(H) "Public employer" means an employer as defined in 711 division (B)(1) of this section. 712

Sec. 4123.291. (A) An adjudicating committee appointed by the 713 administrator of workers' compensation to hear any matter 714 specified in divisions (B)(1) to $\frac{(6)(7)}{(7)}$ of this section shall hear 715 the matter within sixty days of the date on which an employer 716 files the request, protest, or petition. An employer desiring to 717 file a request, protest, or petition regarding any matter 718 specified in divisions (B)(1) to $\frac{(6)(7)}{(7)}$ of this section shall file 719 the request, protest, or petition to the adjudicating committee on 720 or before twenty-four months after the administrator sends notice 721 of the determination about which the employer is filing the 722 request, protest, or petition. 723

(B) An employer who is adversely affected by a decision of an 724 adjudicating committee appointed by the administrator may appeal 725 the decision of the committee to the administrator or the 726

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administrator's designee. The employer shall file the appeal in	727
writing within thirty days after the employer receives the	728
decision of the adjudicating committee. The administrator or the	729
designee shall hear the appeal and hold a hearing, provided that	730
the decision of the adjudicating committee relates to one of the	731
following:	732
(1) An employer request for a waiver of a default in the	733
payment of premiums pursuant to section 4123.37 of the Revised	734
Code;	735
(2) An employer request for the settlement of liability as a	736
noncomplying employer under section 4123.75 of the Revised Code;	737
(3) An employer petition objecting to the assessment of a	738
premium pursuant to section 4123.37 of the Revised Code and the	739
rules adopted pursuant to that section;	740
(4) An employer request for the abatement of penalties	741
assessed pursuant to section 4123.32 of the Revised Code and the	742
rules adopted pursuant to that section;	743
(5) An employer protest relating to an audit finding or a	744
determination of a manual classification, experience rating, or	745
transfer or combination of risk experience;	746
(6) Any decision relating to any other risk premium matter	747
under Chapters 4121., 4123., and 4131. of the Revised Code;	748
(7) An employer petition objecting to the amount of security	749
required under division (C) of section 4125.05 of the Revised Code	750
and the rules adopted pursuant to that section.	751
Sec. 4125.01. As used in this chapter:	752
(A) "Client employer" means a sole proprietor, partnership,	753
association, limited liability company, or corporation that enters	754
into a professional employer organization agreement and is	755
assigned shared employees by the professional employer	756

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notice to any client employer to whom that notice is relevant.

(B) The professional employer organization with whom a shared

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(B) Initial registration and each annual registration renewal	846
shall include all of the following:	847
(1) A list of each of the professional employer	848
organization's client employers current as of the date of	849
registration for purposes of initial registration or current as of	850
the date of annual registration renewal, or within fourteen days	851
of adding or releasing a client, that includes the client	852
employer's name, address, federal tax identification number, and	853
bureau of workers' compensation risk number;	854
(2) A fee as determined by the administrator;	855
(3) The name or names under which the professional employer	856
organization conducts business;	857
(4) The address of the professional employer organization's	858
principal place of business and the address of each office it	859
maintains in this state;	860
(5) The professional employer organization's taxpayer or	861
<pre>employer identification number;</pre>	862
(6) A list of each state in which the professional employer	863
organization has operated in the preceding five years, and the	864
name, corresponding with each state, under which the professional	865
employer organization operated in each state, including any	866
alternative names, names of predecessors, and if known, successor	867
business entities.	868
(C)(1) The administrator, with the advice and consent of the	869
workers' compensation oversight commission, shall adopt rules in	870
accordance with Chapter 119. of the Revised Code to require,	871
except as otherwise specified in division (C)(2) of this section,	872
a professional employer organization to provide security in the	873
form of a bond or letter of credit assignable to the Ohio bureau	874
of workers' compensation not to exceed an amount equal to the	875

premiums and assessments incurred for the two most recent payroll	876
periods, prior to any discounts or dividends, to meet the	877
financial obligations of the professional employer organization	878
pursuant to this chapter and Chapters 4121. and 4123. of the	879
Revised Code.	880
(2) As an alternative to providing security in the form of a	881
bond or letter of credit, the administrator shall permit a	882
professional employer organization to make periodic payments of	883
prospective premiums and assessments to the bureau or to submit	884
proof of being certified by either a nationally recognized	885
organization that certifies professional employer organizations or	886
by a government entity approved by the administrator.	887
(3) A professional employer organization may appeal the	888
amount of the security required pursuant to rules adopted under	889
division (C)(1) of this section in accordance with section	890
4123.291 of the Revised Code.	891
(D) Notwithstanding division (C) of this section, a	892
professional employer organization that qualifies for	893
self-insurance or retrospective rating under section 4123.29 or	894
4123.35 of the Revised Code shall abide by the financial	895
disclosure and security requirements pursuant to those sections	896
and the rules adopted under those sections in place of the	897
requirements specified in division (C) of this section or	898
specified in rules adopted pursuant to that division.	899
(E) Except to the extent necessary for the administrator to	900
administer the statutory duties of the administrator and for	901
employees of the state to perform their official duties, all	902
records, reports, client lists, and other information obtained	903
from a professional employer organization under divisions (A) and	904
(B) of this section are confidential and shall be considered trade	905
secrets and shall not be published or open to public inspection.	906

(F) The list described in division (B)(1) of this section	907
shall be considered a trade secret.	908
(G) The administrator shall establish the fee described in	909
division (B)(2) of this section in an amount that does not exceed	910
the cost of the administration of the initial and renewal	911
registration process.	912
Sec. 4125.06. (A) In accordance with Chapter 119. of the	913
Revised Code, the administrator of the bureau of workers'	914
compensation may deny registration or revoke the registration of a	915
professional employer organization and rescind its status as a	916
coemployer upon a finding that the professional employer	917
organization has done any of the following:	918
(1) Obtained or attempted to obtain registration through	919
misrepresentation, misstatement of a material fact, or fraud;	920
(2) Misappropriated any funds of the client employer;	921
(3) Used fraudulent or coercive practices to obtain or retain	922
business or demonstrated financial irresponsibility;	923
(4) Failed to appear, without reasonable cause or excuse, in	924
response to a subpoena lawfully issued by the administrator;	925
(5) Failed to comply with the requirements of this chapter.	926
(B) The administrator's decision to deny or revoke a	927
professional employer organization's registration or to rescind	928
its status as a coemployer is stayed pending the exhaustion of all	929
administrative appeals by the professional employer organization.	930
The administrator shall adopt rules that require that when an	931
employer contacts the bureau of workers' compensation to determine	932
whether a particular professional employer organization is	933
registered, if the administrator has denied or revoked that	934
professional employer organization's registration or rescinded its	935

compensation lease termination notice form provided by the

and claim information listed in a format specified by the

administrator. The completed form shall include all client payroll

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administrator and notice of all workers' compensation claims that	967
have been reported to the professional employer organization in	968
accordance with its internal reporting policies.	969
Sec. 4125.08. Nothing in this chapter exempts a professional	970
employer organization, client employer, or shared employee from	971
any applicable federal, state, or local licensing, registration,	972
or certification statutes or regulations. An individual required	973
to obtain and maintain a license, registration, or certification	974
under law and who is a shared employee of a professional employer	975
organization and a client employer is an employee of the client	976
employer for purposes of obtaining and maintaining the appropriate	977
license, registration, or certification as required by law. A	978
professional employer organization does not engage in any	979
occupation, trade, or profession that requires a license,	980
certification, or registration solely by entering into a	981
professional employer agreement with a client employer or	982
coemploying a shared employee.	983
Sec. 4125.09. Nothing contained in this chapter or in any	984
professional employer organization agreement shall affect, modify,	985
or amend any collective bargaining agreement that exists on the	986
effective date of this section. Nothing in this chapter shall	987
alter the rights or obligations of any client employer,	988
professional employer organization, or shared employee under the	989
"National Labor Relations Act," 49 Stat. 449, 29 U.S.C.A. 151 et	990
seq., the "Railway Labor Act," 44 Stat. 577, 45 U.S.C.A. 151, or	991
any other applicable federal or state law.	992
Sec. 4125.99. Whoever violates division (A) of section	993
4125.05 of the Revised Code is guilty of a minor misdemeanor.	994
Whoever knowingly violates division (A) of section 4125.05 of the	995

Revised Code is guilty of a misdemeanor of the second degree.	996
Section 2. That existing sections 121.083, 3781.10, 3781.19,	997
4123.01, and 4123.291 and sections 4104.41, 4104.42, 4104.43,	998
4104.44, 4104.45, and 4104.47 of the Revised Code are hereby	999
repealed.	1000
Section 3. That Section 3 of Sub. H.B. 75 of the 124th	1001
General Assembly be amended to read as follows:	1002
Sec. 3. (A) The Administrator of Workers' Compensation, with	1003
the advice and consent of the Workers' Compensation Oversight	1004
Commission, may adopt rules that identify specified medical	1005
conditions that have a historical record of being allowed whenever	1006
included in a claim. The Administrator shall designate the rules	1007
to be effective only until three years after the effective date of	1008
this section September 30, 2005. The Administrator, for a period	1009
of three years after the effective date of this section until	1010
September 30, 2005, may grant immediate allowance of any medical	1011
condition identified in those rules upon the filing of a claim	1012
involving that medical condition and may make immediate payment of	1013
medical bills for any medical condition identified in those rules	1014
that is included in a claim. If an employer contests the allowance	1015
of a claim involving any medical condition identified in those	1016
rules, and the claim is disallowed, payment for the medical	1017
condition included in that claim shall be charged to and paid from	1018
the surplus fund created under section 4123.34 of the Revised	1019
Code.	1020
(B) The Administrator shall establish a pilot program to	1021
determine the effectiveness of implementing division (A) of this	1022
section.	1023
Section 4. That existing Section 3 of Sub. H.B. 75 of the	1024

124th General Assembly is hereby repealed.