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Legislative Service Commission

Sub. S.B. 7

126th General Assembly (H. State Government)

Allows the Administrator of Workers' Compensation to assess a late fee penalty of not more than \$30, instead of a flat fee of \$30 as per the Senate-passed version, against a state fund employer who fails to pay the employer's premium when due.

Increases the penalty for overdue premium payments from existing law's *required* tiered penalty, based on overdue periods, ranging from 2% to a maximum of 12% of the premium due, to a *permissive* penalty of not more than \$30 (described above) plus a tiered penalty beginning at the prime interest rate multiplied by the premium due for 61-90 days past due, and increasing every 30 days thereafter, capped at the prime interest rate plus 8% times the premium due, except that this penalty can never exceed 15% of the premium due. In contrast, the Senate-passed version increased the tiered penalty for overdue premium payments from existing law's tiered penalty to a tiered penalty beginning at 3% of the premium due for 11 to 30 days past due, and increasing every 30 days thereafter, capped at the prime interest rate plus 10% times the premium due.

Prohibits Workers' Compensation Oversight Commission from specifying in the objectives, policies, and criteria it establishes for the investment program of the Bureau of Workers' Compensation (BWC) that the Administrator or employees of the BWC are prohibited from conducting business with an investment management firm or certain entities related to a firm based on criteria that are more restrictive than restrictions in the Campaign Finance Law (R.C. Chapter 3517.).

Increases the current law threshold amount for BWC's \$1,000 medical-only claim program to \$5,000 and specifies that if an employer participating in the program fails to pay a bill for a medical-only claim, the employer, not the employee, is liable for that bill.

Requires the Administrator, by statute rather than rules, as under current law, to establish a program designed to mitigate the impact of a significant claim that is a contributing factor in a private, state fund group-related employer being excluded from a group-rated plan, and requires the Administrator to establish eligibility criteria and

^{*} This synopsis does not address amendments that may have been adopted on the House floor.

requirements an employer must satisfy to participate in this program and to establish a discount on premium rates applicable to those employers.

Increases the basic state minimum wage to equal the basic federal minimum wage specified in the federal Fair Labor Standards Act (29 U.S.C. 201 et seq.), which currently is \$5.15 per hour, beginning on the bill's effective date, and correspondingly increases the learner wage rate because that rate equals 80% of the basic state minimum wage.

Changes the manner in which the wage payable to certain tipped employees is calculated to by requiring that it be calculated in the manner specified for tipped employees in the federal Fair Labor Standards Act.

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