



State or Federal Issues Contacts: Please refer to the list of State Relations Executives at the end of this report.

LEGISLATIVE ACTIVITY—LEGISLATIVE SESSION UPDATES

This report includes descriptions and/or excerpts of relevant bills that passed the first chamber, passed the second chamber, or were enacted during the specific periods. In addition, a recap of significant legislative and judicial activity impacting the workers compensation system is included in the first report published each month. This report is issued on a weekly basis throughout the legislative season and provides updates on the content of these bills if and when they progress through the legislative process. This report covers bills from states where NCCI provides ratemaking services (see state list under Contact Information) and the US Congress.

BILLS ENACTED

The following workers compensation-related bills were enacted within the one-week period ending April 27, 2018.

Kentucky

HB 323 was:

- Passed by the first chamber on March 9, 2018
- Included in NCCI's March 16, 2018 **Legislative Activity Report** (RLA-2018-11)
- Amended and passed by the second chamber on March 27, 2018
- Included in NCCI's April 6, 2018 **Legislative Activity Report** (RLA-2018-14)
- Enacted on April 26, 2018, with an effective date of July 13, 2018

HB 323, in part, amends **sections 304.47-020** of the Kentucky Revised Statutes as follows:

304.47-020 Fraudulent insurance acts—Penalties—Compensatory damages—Application of section.

(1) For the purposes of this subtitle, a person or entity commits a "fraudulent insurance act" if he or she engages in any of the following, including but not limited to matters relating to workers' compensation:

(a) Knowingly and with intent to defraud or deceive presents, causes to be presented, or prepares with knowledge or belief that it will be presented to an insurer, Kentucky Claims Commission, Special Fund, or any agent thereof; ~~;~~

1. Any written or oral statement as part of, or in support of, a claim for payment or other benefit pursuant to an insurance policy or from a "self-insurer" as defined by KRS Chapter 342, knowing that the statement contains any false, incomplete, or misleading information concerning any fact or thing material to a claim; or

~~(b) Knowingly and with intent to defraud or deceive presents, causes to be presented, or prepares with knowledge or belief that it will be presented to an insurer, Kentucky Claims Commission, or any agent thereof;~~

2. Any statement as part of, or in support of, an application for an insurance policy, for renewal, reinstatement, or replacement of insurance, or in support of an application to a lender for money to pay a premium, knowing that the statement contains any false, incomplete, or misleading information concerning any fact or thing material to the application;

~~(b) (e)~~ Knowingly and willfully transacts any contract, agreement, or instrument which violates this title;

~~(c) (d)~~ Knowingly and with intent to defraud or deceive; ~~;~~

1. Receives money for the purpose of purchasing insurance, and fails to obtain insurance;

~~(e) Knowingly and with intent to defraud or deceive;~~

2. Fails to make payment or disposition of money or voucher as defined in KRS 304.17A-750, as required by agreement or legal obligation, that comes into his or her possession while acting as a licensee under this chapter;

3. ~~Presents, causes to be presented, or prepares with knowledge or belief that it will be presented to or by an insurer, or to the commissioner, any statement, knowing that the statement contains any false, incomplete, or misleading information concerning any material fact or thing, as part of, or in support of one (1) or more of the following:~~

a. ~~The rating of an insurance policy;~~

b. The financial condition of an insurer;

c. The formation, acquisition, merger, reconsolidation, dissolution, or withdrawal from one (1) or more lines of insurance in all or part of this Commonwealth by an insurer; or

d. A document filed with the commissioner; or

4. Engages in any of the following:

a. Solicitation or acceptance of new or renewal insurance risks on behalf of an insolvent insurer; or

b. Removal, concealment, alteration, tampering, or destruction of money, records, or any other property or assets of an insurer;

(d) (f) Issues or knowingly presents fake or counterfeit insurance policies, certificates of insurance, insurance identification cards, insurance binders, or any other documents that purport to evidence insurance;

(e) (g) Makes any false or fraudulent representation as to the death or disability of a policy or certificate holder in any written statement or certificate for the purpose of fraudulently obtaining money or benefit from an insurer;

(f) (h) Engages in unauthorized insurance, as set forth defined in KRS 304.11- 030;

(i) Knowingly and with intent to defraud or deceive, presents, causes to be presented, or prepares with knowledge or belief that it will be presented to or by an insurer, or to the commissioner, any statement, knowing that the statement contains any false, incomplete, or misleading information concerning any material fact or thing, as part of, or in support of one (1) or more of the following:

1. The rating of an insurance policy;

2. The financial condition of an insurer;

3. The formation, acquisition, merger, reconsolidation, dissolution, or withdrawal from one (1) or more lines of insurance in all or part of this Commonwealth by an insurer; or

4. A document filed with the commissioner;

(j) Knowingly and with intent to defraud or deceive, engages in any of the following:

1. Solicitation or acceptance of new or renewal insurance risks on behalf of an insolvent insurer; or

2. Removal, concealment, alteration, tampering, or destruction of money, records, or any other property or assets of an insurer; or

(g) (k) Assists, abets, solicits, or conspires with another to commit a fraudulent insurance act in violation of this subtitle.

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(3) Any person damaged as a result of a violation of any provision of this section when there has been a criminal adjudication of guilt shall have a cause of action to recover compensatory damages, plus all reasonable investigation and litigation expenses, including attorneys' fees, at the trial and appellate courts.

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Maryland

HB 1592 was:

- Passed by the first chamber on March 15, 2018
- Included in NCCI's March 23, 2018 **Legislative Activity Report** (RLA-2018-12)
- Passed by the second chamber on April 3, 2018
- Included in NCCI's April 13, 2018 **Legislative Activity Report** (RLA-2018-15)
- Enacted on April 24, 2018, with an effective date of October 1, 2018

HB 1592, in part, repeals and reenacts, with amendments, **section 9-212** and repeals **section 9-1015** of the Maryland Labor and Employment Code as follows:

§ 9-212. Jockey

(a) (1) This section applies to each jockey licensed by the State Racing Commission to ride a thoroughbred horse.

(2) This section applies only at a thoroughbred racing association or training facility under the jurisdiction of the State Racing Commission.

(b) A jockey is a covered employee while performing a service in connection with racing or:

(1) live thoroughbred racing; or

(2) training a thoroughbred race horse, if the principal earnings of the jockey are based on money earned as a jockey during live racing and not as an exercise rider.

(c) (1) For the purposes of this title, the ~~joint employers~~ employer of a jockey who is a covered employee under this section ~~while performing a service in connection with racing or training is~~ is are:

~~(i) the Maryland Jockey Injury Compensation Fund, Inc.; and~~

~~(ii) each licensed owner or trainer who is subject to assessment under § 11-906 of the Business Regulation Article at the time of any occurrence for which benefits are payable to the jockey under this title.~~

~~(2) For purposes of this title, the employer of a jockey who is a covered employee under this section while performing a service in connection with training is the trainer for whom the service is performed.~~

~~(3) (2) This subsection does not affect any other provision of law or practice.~~

(d) Notwithstanding any other provision of law, this section may not be construed to bar an action by a jockey against a third party.

~~§ 9-1015. Payment by Maryland Jockey Injury Compensation Fund, Inc~~

~~(a) A jockey who is a covered employee under § 9-212 of this title while performing a service in connection with training or the dependents of the jockey may apply for payment from the Maryland Jockey Injury Compensation Fund, Inc. if the employer of the jockey is in default on a claim under § 9-1002(b) of this subtitle.~~

~~(b) On receipt of an application for payment, the Maryland Jockey Injury Compensation Fund, Inc. shall pay the award.~~

~~(c) (1) If the Maryland Jockey Injury Compensation Fund, Inc. makes payment under this section to a covered employee or the dependents of the covered employee as directed by the Commission, the Maryland Jockey Injury Compensation Fund, Inc. is subrogated to the rights of the covered employee or dependents against the uninsured employer.~~

~~(2) The Maryland Jockey Injury Compensation Fund, Inc. may:~~

~~(i) institute a civil action against the uninsured employer to recover the money paid under the award;~~

~~(ii) refer the matter to the Maryland Racing Commission for suspension or revocation of the occupational license of the uninsured employer;~~

~~(iii) refer the matter to the appropriate authority for prosecution under § 9-1108 of this title; or~~

~~(iv) take action under any combination or all of items (i) through (iii) of this paragraph.~~

SB 851 was:

- Passed by the first chamber on March 19, 2018
- Included in NCCI's March 30, 2018 *Legislative Activity Report* (RLA-2018-13)
- Passed by the second chamber on April 5, 2018
- Included in NCCI's April 13, 2018 *Legislative Activity Report* (RLA-2018-15)
- Enacted on April 24, 2018, with an effective date of October 1, 2018

SB 851, in part, repeals and reenacts, with amendments, **section 9-212** and repeals **section 9-1015** of the Maryland Worker's Compensation Act as follows:

§ 9-212. Jockey

(a) (1) This section applies to each jockey licensed by the State Racing Commission to ride a thoroughbred horse.

(2) This section applies only at a thoroughbred racing association or training facility under the jurisdiction of the State Racing Commission.

(b) A jockey is a covered employee while performing a service in connection with racing or:

(1) live thoroughbred racing; or

(2) training a thoroughbred race horse, if the principal earnings of the jockey are based on money earned as a jockey during live racing and not as an exercise rider.

(c) (1) For the purposes of this title, the ~~joint employers~~ employer of a jockey who is a covered employee under this section while performing a service in connection with racing or training is are:

(i) the Maryland Jockey Injury Compensation Fund, Inc.; and

(ii) each licensed owner or trainer who is subject to assessment under § 11-906 of the Business Regulation Article at the time of any occurrence for which benefits are payable to the jockey under this title.

~~(2) For purposes of this title, the employer of a jockey who is a covered employee under this section while performing a service in connection with training is the trainer for whom the service is performed.~~

~~(3) (2) This subsection does not affect any other provision of law or practice.~~

(d) Notwithstanding any other provision of law, this section may not be construed to bar an action by a jockey against a third party.

~~§ 9-1015. Payment by Maryland Jockey Injury Compensation Fund, Inc~~

~~(a) A jockey who is a covered employee under § 9-212 of this title while performing a service in connection with training or the dependents of the jockey may apply for payment from the Maryland Jockey Injury Compensation Fund, Inc. if the employer of the jockey is in default on a claim under § 9-1002(b) of this subtitle.~~

~~(b) On receipt of an application for payment, the Maryland Jockey Injury Compensation Fund, Inc. shall pay the award.~~

~~(c) (1) If the Maryland Jockey Injury Compensation Fund, Inc. makes payment under this section to a covered employee or the dependents of the covered employee as directed by the Commission, the Maryland Jockey Injury Compensation Fund, Inc. is subrogated to the rights of the covered employee or dependents against the uninsured employer.~~

~~(2) The Maryland Jockey Injury Compensation Fund, Inc. may:~~

~~(i) institute a civil action against the uninsured employer to recover the money paid under the award;~~

~~(ii) refer the matter to the Maryland Racing Commission for suspension or revocation of the occupational license of the uninsured employer;~~

~~(iii) refer the matter to the appropriate authority for prosecution under § 9-1108 of this title; or~~

~~(iv) take action under any combination or all of items (i) through (iii) of this paragraph.~~

BILLS PASSING SECOND CHAMBER

The following workers compensation-related bills passed the second chamber within the one-week period ending April 27, 2018.

Alaska

HB 126 was:

- Passed by the first chamber on April 9, 2017
- Included in NCCI's April 21, 2017 *Legislative Activity Report* (RLA-2017-15)
- Passed by the second chamber on April 27, 2018

HB 126 adds new *section 23.30.236. Members of the organized militia as employees* to the Alaska Workers Compensation Act to read:

Sec. 23.30.236. Members of the organized militia as employees.

(a) A member of the organized militia who has been ordered into active state service by the governor under AS 26.05.070 or ordered into training under AS 26.05.100, and who suffers an injury, disability, or death in the line of duty, is an employee of the state for purposes of this chapter.

(b) The gross weekly earnings for members of the organized militia are calculated using the methods prescribed under AS 26.05.260(h).

HB 126 also amends *section 26.05.260. Pay and allowances* of the Military Code of Alaska as follows:

Sec. 26.05.260. Pay and allowances.

...

(d) A member of the organized militia who, while performing duties under AS 26.05.070 or training under AS 26.05.100, including transit to and from the member's home of record, suffers an injury or disability in the line of duty is entitled to all compensation and benefits available under AS 23.30 (Alaska Workers' Compensation Act). For a member of the Alaska State Defense Force, compensation and benefits under this subsection are provided as though the member were a state employee. A member of the organized militia who has not been ordered into active state service by the governor under AS 26.05.070 or ordered into training under AS 26.05.100 is not entitled to compensation and benefits under AS 23.30 (Alaska Workers' Compensation Act).

(e) If a member of the organized militia dies as a result of an injury or disability suffered in the line of duty while performing duties under AS 26.05.070 or training under AS 26.05.100, including transit to and from the member's home of record, death benefits shall be paid to the persons in the amounts specified in AS 23.30.215. For a member of the Alaska State Defense Force, the death benefits under this subsection are provided as though the member were a state employee. A person is not entitled to death benefits as specified in AS 23.30.215 for a member of the organized militia who dies as a result of an injury or disability suffered in the line of duty but who had not been ordered into active state service by the governor under AS 26.05.070 or ordered into training under AS 26.05.100.

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Louisiana

HB 370 was:

- Passed by the first chamber on March 28, 2018
- Included in NCCI's April 6, 2018 *Legislative Activity Report* (RLA-2018-14)
- Passed by the second chamber on April 25, 2018

HB 370 creates new *chapter 19* in the Louisiana Insurance Code to read:

CHAPTER 19. ELECTRONIC DELIVERY OF INSURANCE DOCUMENTS AND NOTICES

§2461. Definitions

As used in this Chapter, the following definitions apply:

(1) "Delivered by electronic means" means either of the following:

(a) Delivery to an electronic mail address at which a party has consented to receive notices or documents.

(b) Posting on an electronic network or site accessible via the internet, mobile application, computer, mobile device, tablet, or any other electronic device, together with separate notice of the posting provided by electronic mail to the address at which the party has consented to receive notice or by any other delivery method that has been consented to by the party.

(2) "Party" means any recipient of any notice or document required as part of an insurance transaction, including but not limited to an applicant, an insured, a policyholder, or an annuity contract holder.

§2462. Electronic delivery of insurance documents and notices

A. Subject to the requirements of this Section, any notice to a party or any other document required by law in an insurance transaction or that is to serve as evidence of insurance coverage may be delivered, stored, and presented by electronic means if the electronic means meet the requirements of the Louisiana Uniform Electronic Transactions Act, R.S. 9:2601 et seq.

B. Delivery of a notice or document in accordance with this Section shall be considered equivalent to and have the same effect as any delivery method required by law, including delivery by first class mail, first class mail with postage prepaid, certified mail, certificate of mail, or certificate of mailing.

C. A notice or document may be delivered by electronic means by an insurer to a party pursuant to this Section if all of the following apply:

(1) The party has affirmatively consented electronically, or confirmed consent electronically, in a manner that reasonably demonstrates that the party can access information in the electronic form that will be used for notices or documents delivered by electronic means to which the party has given consent, and the party has not withdrawn the consent.

(2) The party, before giving consent, is provided with a clear and conspicuous statement informing the party of all of the following:

(a) The hardware and software requirements for access to and retention of a notice or document delivered by electronic means.

(b) The types of notices and documents to which the party's consent would apply.

(c) The right of the party to withdraw consent to have a notice or document delivered by electronic means, at any time, and any conditions or consequences imposed in the event consent is withdrawn.

(d) The procedures a party must follow to withdraw consent to have a notice or document delivered by electronic means and to update the party's electronic mail address.

(e) The right of a party to have a notice or document delivered, upon request, in paper form.

D. An insurer shall take all measures reasonably calculated to ensure that delivery by electronic means pursuant to this Section results in receipt of the notice or document by the party.

§2463. Change in hardware or software requirements

After the consent of a party is given, in the event a change in the hardware or software requirements needed to access or retain a notice or document delivered by electronic means creates a material risk that the party will not be able to access or retain a subsequent notice or document to which the consent applies, the insurer shall not deliver a notice or document to the party by electronic means unless the insurer complies with R.S. 22:2462 and provides the party with a statement that describes all of the following:

(1) The revised hardware and software requirements for access to and retention of a notice or document delivered by electronic means.

(2) The right of the party to withdraw consent without the imposition of any condition or consequence that was not disclosed at the time of initial consent.

§2464. Applicability

A. The provisions of this Section shall not be construed to affect requirements related to content or timing of any notice or document required by any other provision of law.

B. If a provision of this Title or other applicable law requiring a notice or document to be provided to a party expressly requires verification or acknowledgment of receipt of the notice or document, the notice or document may be delivered by electronic means only if the method used provides for verification or acknowledgment of receipt.

C. This Chapter shall not apply to a notice or document delivered by an insurer in an electronic form before the effective date of this Chapter to a party who, before that date, has consented to receive the notice or document in an electronic form otherwise allowed by law.

§2465. Contracts and policies not affected

The legal effectiveness, validity, or enforceability of any contract or policy of insurance executed by a party shall not be denied solely because of the failure of the insurer to obtain electronic consent or confirmation of consent of the party in accordance with the provisions of this Chapter.

§2466. Withdrawal of consent

A. A withdrawal of consent by a party shall not affect the legal effectiveness, validity, or enforceability of a notice or document delivered by electronic means to the party before the withdrawal of consent is effective.

B. A withdrawal of consent by a party shall be effective within a reasonable period of time after receipt of the withdrawal by the insurer.

C. Failure by an insurer to comply with any provision of R.S. 22:2462 or 20 2463 may be treated, at the election of the party, as a withdrawal of consent for purposes of this Chapter.

§2467. Prior consent to receive notices or documents in an electronic form

If the consent of a party to receive certain notices or documents in an electronic form is on file with an insurer before the effective date of this Chapter, and an insurer intends to deliver additional notices or documents to the party in an electronic form pursuant to this Chapter, then prior to delivering the additional notices or documents electronically, the insurer shall comply with the provisions of 28 R.S. 22:2462 and shall provide the party with a statement that describes both of the following:

(1) The notices or documents that shall be delivered by electronic means that were not previously delivered electronically.

(2) The party's right to withdraw consent to have notices or documents delivered by electronic means, without the imposition of any condition or consequence that was not disclosed at the time of initial consent.

§2468. Alternative method of delivery required

An insurer shall deliver a notice or document by any other delivery method permitted by law other than electronic means if either of the following occurs:

(1) The insurer attempts to deliver the notice or document by electronic means and has a reasonable basis for believing that the notice or document has not been received by the party.

(2) The insurer becomes aware that the electronic mail address provided by the party is no longer valid.

§2469. Limitation of liability

An insurance producer shall not be subject to civil liability for any harm or injury that occurs because of a party's election to receive any notice or document by electronic means or by an insurer's failure to deliver or a party's failure to receive a notice or document by electronic means.

Oklahoma

HB 2722 was:

- Passed by the first chamber on March 12, 2018
- Included in NCCI's March 23, 2018 **Legislative Activity Report** (RLA-2018-12)
- Passed by the second chamber on April 24, 2018

HB 2722 amends **section 85A-2** of the Oklahoma Administrative Workers' Compensation Act, in part, as follows:

§85A-2. Definitions.

As used in the Administrative Workers' Compensation Act:

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b. The term "employee" shall not include:

...

(2) any person who is employed in agriculture, ranching or horticulture by an employer who had a gross annual payroll in the preceding calendar year of less than One Hundred Thousand Dollars (\$100,000.00) wages for agricultural, ranching or horticultural workers, or any person who is employed in agriculture, ranching or horticulture who is not engaged in operation of motorized machines. This exemption applies to any period of time for which such employment exists, irrespective of whether or not the person is employed in other activities for which the exemption does not apply. If the person is employed for part of a year in exempt activities and for part of a year in nonexempt activities, the employer shall be responsible for providing workers' compensation only for the period of time for which the person is employed in nonexempt activities,

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HB 2993 was:

- Passed by the first chamber on March 7, 2018
- Included in NCCI's March 16, 2018 **Legislative Activity Report** (RLA-2018-11)
- Passed by the second chamber on April 26, 2018

HB 2993 amends **sections 85A-97, 85A-98, and 85A-99** of the Oklahoma Administrative Workers' Compensation Act as follows:

§85A-97. Self-insurance Guaranty Fund.

A. The Self-insurance Guaranty Fund shall be for the purpose of continuation of workers' compensation benefits due and unpaid or interrupted due to the inability of a self-insurer to meet its compensation obligations because its financial resources, security deposit, guaranty agreements, surety agreements and excess insurance are either inadequate or not immediately accessible for the payment of benefits. Monies in the fund, including interest, are not subject to appropriation and shall be expended to compensate employees for eligible benefits for a compensable injury under the Administrative Workers' Compensation Act, pay outstanding workers' compensation obligations of the impaired self-insurer, and for all claims for related administrative fees, operating costs of the Self-insurance Guaranty Fund Board, attorney fees, and other costs reasonably incurred by the Board in the performance of its duties.

B. Monies transferred pursuant to Section 99 of this title may be expended by the Board to provide a credit against the assessment required to be paid by each private self-insurer and group self-insurer association pursuant to Section 98 of this title.

C. Expenditures from the fund shall be made on warrants issued by the State Treasurer against claims as prescribed by law. The fund shall be subject to audit in the same manner as state funds and accounts, the cost for which shall be paid for from the fund.

§85A-98. Funds to be transferred to Self-insurance Guaranty Fund.

The Self-insurance Guaranty Fund shall be derived from the following sources:

...

(2)... c. Failure of a self-insurer to pay, or timely pay, an assessment required by this paragraph, or to report payment of the same to the Commission within ten (10) days of payment, shall be grounds for revocation by the Commission of the self-insurer's permit to self-insure in this state, after notice and hearing. A former self-insurer failing to make payments required by this paragraph promptly and correctly, or failing to report payment of the same to the Commission within ten (10) days of payment, shall be subject to administrative penalties as allowed by law, including but not limited to, a fine in the amount of Five Hundred Dollars (\$500.00) or an amount equal to one percent (1%) of the unpaid amount, whichever is greater, to be paid and deposited to the credit of the Workers' Compensation Commission Revolving Fund created in Section ~~28~~ 28.1 of this title. It shall be the duty of the Tax Commission to collect the assessment provided for in this paragraph. The Tax Commission is authorized to bring an action for recovery of any delinquent or unpaid assessments, and may enforce payment of the assessment by proceeding in accordance with Section 79 of this title.

...

e. The Tax Commission shall determine the fund balance as of March 1 and September 1 of each year, and when otherwise requested by the Workers' Compensation Commission, and shall advise the Workers' Compensation Commission in writing within thirty (30) days of each such determination; ~~and~~

3. Any interest accruing on monies paid into the fund; and

4. Monies transferred pursuant to Section 99 of this title.

§85A-99. Impaired self-insurer.

A. On determination by the Workers' Compensation Commission that a self-insurer has become an impaired self-insurer, the Commission shall secure release of the security required by Section 38 of this title and advise the Self-insurance Guaranty Fund Board of the impairment. Claims administration, including processing, investigating and paying valid claims against an impaired self-insurer under the Administrative Workers' Compensation Act, may include payment by the surety that issued the surety bond or be under a contract between the Commission and an insurance carrier, appropriate state governmental entity or an approved service organization, as approved by the Commission.

B. Excess proceeds from the security remaining after each claim for benefits of an impaired self-insurer has been paid, settled or lapsed, and associated costs of administration of such claim have been paid, shall be transferred to the Self-insurance Guaranty Fund and may be used as a credit against the assessment required to be paid by each private self-insurer and group self-insurer association pursuant to Section 98 of this title, as determined by the Self-insurance Guaranty Fund Board.

SB 1249 was:

- Passed by the first chamber on March 15, 2018
- Included in NCCI's March 23, 2018 *Legislative Activity Report* (RLA-2018-12)
- Passed by the second chamber on April 25, 2018

SB 1249 amends *section 85A-36* of the Oklahoma Administrative Workers' Compensation Act as follows:

§85A-36. Liability other than immediate employer.

A. If a subcontractor fails to secure compensation required by ~~this act~~ the Administrative Workers' Compensation Act, the prime contractor shall be liable for compensation to the employees of the subcontractor unless there is an intermediate subcontractor who has workers' compensation coverage.

B. 1. Any contractor or the contractor's insurance carrier who shall become liable for the payment of compensation on account of injury to or death of an employee of his or her subcontractor may recover from the subcontractor the amount of the compensation paid or for which liability is incurred.

2. The claim for the recovery shall constitute a lien against any monies due or to become due to the subcontractor from the prime contractor.

3. A claim for recovery shall not affect the right of the injured employee or the dependents of the deceased employee to recover compensation due from the prime contractor or his or her insurance carrier.

C. 1. a. ~~When a sole proprietorship or partnership fails to elect to cover the sole proprietor or partners under this act a subcontractor elects not to secure compensation and is not required to secure compensation pursuant to this title,~~ the prime contractor is not liable under ~~this act~~ the Administrative Workers' Compensation Act for injuries sustained by the ~~sole proprietor or partners~~ subcontractor or any person working with the subcontractor who is not considered an employee of the subcontractor pursuant to Section 2 of this title, and if the sole proprietor or partners are injured person is not employees an employee of the prime contractor.

b. (1) ~~A sole proprietor or the partners of a partnership who do not elect to be covered by this act and be deemed employees thereunder and who deliver to the prime contractor a current certification of noncoverage issued by the Commission~~ If a subcontractor has filed with the Commission an unexpired Affidavit of Exempt Status, the subcontractor and any person who works with the subcontractor but is not considered an employee of the subcontractor pursuant to Section 2 of this title shall be

~~conclusively presumed not to be covered by the law or to be employees of the prime contractor during the term of his or her certification or any renewals thereof the affidavit.~~

~~(2) A certificate of noncoverage may not be presented to a subcontractor who does not have workers' compensation coverage.~~

~~(3) This provision shall not affect the rights or coverage of any employees of the sole proprietor or of the partnership employee of a subcontractor.~~

2. The prime contractor's insurance carrier shall not be liable for injuries to the ~~sole proprietor or partner~~ subcontractor described in this section who have ~~provided a current certification of noncoverage~~ filed an unexpired Affidavit of Exempt Status, and the carrier shall not include compensation paid by the prime contractor to the ~~sole proprietor or partner~~ subcontractor described above in computing the insurance premium for the prime contractor.

~~3. a. Any prime contractor who after being presented with a current certification of noncoverage by a sole proprietor or partnership compels the sole proprietor or partnership to pay or contribute to workers' compensation coverage of that sole proprietor or partnership shall be guilty of a misdemeanor.~~

~~b. Any prime contractor who compels a sole proprietor or partnership to obtain a certification of noncoverage when the sole proprietor or partnership does not desire to do so shall be guilty of a misdemeanor.~~

~~c. Any applicant who makes a false statement when applying for a certification of noncoverage or any renewals thereof shall be guilty of a felony.~~

D. 1. A certification of noncoverage issued by the Commission shall be valid for two (2) years after the effective date stated thereon. Both the effective date and the expiration date shall be listed on the face of the certificate by the Commission. ~~The certificate~~ Any individual or business entity that is not required to secure compensation pursuant to the requirements of the Administrative Workers' Compensation Act may execute an Affidavit of Exempt Status. The "Affidavit of Exempt Status" shall be a form prescribed by the Workers' Compensation Commission available on the Commission's website. The Commission may assess a nonrefundable fee not to exceed Fifty Dollars (\$50.00) per individual or business entity for filing of an Affidavit of Exempt Status at the Commission. An Affidavit of Exempt Status executed and filed with the Commission shall expire at midnight two (2) years from its issue date, as noted on the face of the certificate the date filed. A new Affidavit of Exempt Status may be filed prior to expiration to renew an existing Affidavit of Exempt Status.

2. The Commission may assess a fee not to exceed Fifty Dollars (\$50.00) with each application for a certification of noncoverage or any renewals thereof.

3. Any certification of noncoverage issued by the Commission shall contain the social security number and notarized signature of the applicant. The notarization shall be in a form and manner prescribed by the Commission.

4. The Commission may prescribe by rule forms and procedures for issuing or renewing a certification of noncoverage

a. Knowingly providing false information on an executed affidavit shall constitute a misdemeanor punishable by a fine not to exceed One Thousand Dollars (\$1,000.00).

b. In the event changed circumstances make securing compensation pursuant to the requirements of the Administrative Workers' Compensation Act necessary, the individual or business entity on whose behalf the affidavit was executed shall execute and file a Cancellation of Affidavit of Exempt Status. The Commission shall prescribe a form for cancellation of an affidavit which shall be available on the Commission's website.

c. Affidavits shall conspicuously state on the front thereof in at least ten-point, bold-faced print that it is a crime to falsify information on the form.

d. The Commission shall immediately notify the Workers' Compensation Fraud Unit in the Office of the Attorney General of any violations or suspected violations of this section. The Commission shall cooperate with the Fraud Unit in any investigation involving affidavits executed pursuant to this section.

The execution or filing of an affidavit shall not affect the rights or coverage of any employee of the affiant or business entity on whose behalf the affiant executes or files an affidavit.

3. Fees collected pursuant to this section shall be deposited in the State Treasury to the credit of the Workers' Compensation Commission Revolving Fund.

E. If work is performed by an independent contractor on a single-family residential dwelling occupied by the owner, or the premises of such dwelling, or for a farmer whose cash payroll for wages, excluding supplies, materials and equipment, for the preceding calendar year did not exceed One Hundred Thousand Dollars (\$100,000.00), such owner or farmer shall not be liable for compensation under ~~this act~~ the Administrative Workers' Compensation Act for injuries to the independent contractor or his or her employees.

F. If an owner of a project or job enters a contract with a contractor, and the owner of the project or job does not substantively form an employment relationship with its contractor, then the owner of the project or job shall not be liable for compensation for a compensable injury to any contractor or subcontractor in any tier or employee of any contractor or subcontractor in any tier.

SB 1411 was:

- Passed by the first chamber on March 7, 2018
- Included in NCCI's March 16, 2018 **Legislative Activity Report** (RLA-2018-11)
- Passed by the second chamber on April 26, 2018

SB 1411 amends *section 40-418* of the Oklahoma Labor Code as follows:

§40-418. Payments to Commission—Refunds—Collection of payments—Disposition of funds.

...

(5) The Except as otherwise provided in paragraph 7 of this section, the Oklahoma Tax Commission shall, monthly, as the same are collected, pay to the State Treasurer of this state, to the credit of the Special Occupational Health and Safety Fund, all monies collected under the provisions of this section. Monies shall be paid out of said Fund exclusively for the operation and administration of the Oklahoma Occupational Health and Safety Standards Act and for other necessary expenses of the Department of Labor pursuant to appropriations by the Oklahoma Legislature.

...

(7) In no event shall the total fiscal year amount paid to the credit of the Special Occupational Health and Safety Fund pursuant to this section exceed the 3-year average of the total fiscal year amounts apportioned fiscal years 2015, 2016 and 2017. Any amount in excess of the 3-year average shall be placed to the credit of the General Revenue Fund.

Tennessee

SB 1649 was:

- Passed by the first chamber on April 24, 2018
- Passed by the second chamber on April 25, 2018

SB 1649, in part, adds a new section to *Title 49 Education, Chapter 11 Career and Technical Education, Part 1 - General Provisions* of the Tennessee Code to read:

(a) An employer that accepts or employs a student who is participating in workbased learning coordinated through the student's LEA or a state institution of higher education, including, but not limited to, Tennessee colleges of applied technology:

(1) Shall not be liable for actions relating to that student unless the employer acted willfully or with gross negligence; and

(2) May elect to provide workers' compensation insurance coverage to compensate a participating student for any injury that is covered under the Workers' Compensation Law, compiled in title 50, chapter 6. Notwithstanding subdivision (a)(1), if an employer elects to provide workers' compensation insurance coverage pursuant to this subdivision (a)(2):

(A) The coverage shall serve as the participating student's exclusive remedy for any compensable injury that is covered under the Workers' Compensation Law; and

(B) The employer shall not disclaim the participating student's eligibility for such coverage.

(b) An LEA or state institution of higher education that coordinates work-based learning for students shall maintain liability insurance coverage for all participating students. If an employer elects to provide workers' compensation insurance coverage to a participating student pursuant to subdivision (a)(2), then the LEA or state institution of higher education shall maintain liability insurance coverage to compensate the participating student for any injury that is not covered under the Workers' Compensation Law.

(c) For purposes of this section, an employer shall not be prohibited from employing a student who is under the age of eighteen (18); provided, that the employer is in compliance with state and federal law.

BILLS PASSING FIRST CHAMBER

The following workers compensation-related bill passed the first chamber within the one-week period ending April 27, 2018.

Illinois

HB 4595 amends *section 215 ILCS 5/416* and creates new *Article XLVI The Illinois Employers Mutual Insurance Company* in the Illinois Insurance Code as follows:

(215 ILCS 5/416)

Sec. 416. Illinois Workers' Compensation Commission Operations Fund Surcharge.

...

(h) The Director shall make a loan to the Illinois Employers Mutual Insurance Company of \$10,000,000 from the Illinois Workers' Compensation Commission Operations Fund for the start-up funding and initial capitalization of the Illinois Employers Mutual Insurance Company. The Board of Directors of the Illinois Employers Mutual Insurance Company shall make an application to the Director for the loans, stating the amount to be loaned to the Illinois Employers Mutual Insurance Company. The Illinois Employers Mutual Insurance Company shall repay the loans in full within 5 years after issuance, plus any interest that would have accrued thereon had the loan not occurred.

ARTICLE XLVI.

THE ILLINOIS EMPLOYERS MUTUAL INSURANCE COMPANY

(215 ILCS 5/1700)

Sec. 1700. Purpose.

The purpose of this Article is to establish the Illinois Employers Mutual Insurance Company as a nonprofit, independent public corporation to insure Illinois employers against liability for workers' compensation and occupational disease coverage.

(215 ILCS 5/1705)

Sec. 1705. Definitions.

As used in this Article:

"Board" means the board of directors of the Illinois Employers Mutual Insurance Company.

"Board director" means a member of the board of directors of the Company.

"Company" means the Illinois Employers Mutual Insurance Company created by this Article.

(215 ILCS 5/1710)

Sec. 1710. Establishment of the Company.

(a) There is hereby created the Illinois Employers Mutual Insurance Company, which shall be a nonprofit, independent public corporation. The Company shall be operated as a domestic mutual insurance company, subject to all applicable provisions of this Code.

(b) The Company shall issue insurance for workers' compensation and occupational disease. The Company shall not provide any other type of insurance.

(c) The Company shall provide workers' compensation coverage to employers at the highest level of service and savings consistent with reasonable applicable actuarial standards and shall maintain the financial integrity of the Company. The Company shall foster employer involvement in safety initiatives and the creation of workplace safety plans set forth in Section 1740 of this Article.

(d) The Company shall not be considered a State agency or instrumentality of the State for any purpose. Employees of the Company are not employees of the State and are not subject to the Personnel Code. The Company shall not receive any State appropriations or funds, except for an initial loan or loans made pursuant to Section 416 of this Code. The State shall not borrow or otherwise appropriate funds from the Company. The Company or its liabilities shall not be deemed to constitute a debt or a liability of the State or a pledge of the full faith and credit of the State.

(215 ILCS 5/1715)

Sec. 1715. Board of directors.

(a) The Company shall be managed by a 7-member board of directors. The board of directors shall be appointed by the Governor with the advice and consent of the Senate. For the initial set of appointments, 2 Board directors shall be appointed to a term ending July 1, 2020, 2 Board directors shall be appointed to a term ending July 1, 2021, 2 Board directors shall be appointed to a term ending July 1, 2022, and one Board director shall be appointed to a term ending July 1, 2023. All initial appointments shall be made by the Governor within 30 days after the effective date of this amendatory Act of the 100th General Assembly. Thereafter, all appointments or reappointments shall be for a 5-year term ending on July 1 of the fifth year. The appointment and reappointment of Board directors by the Governor shall be subject to the provisions of Article 3A of the Illinois Governmental Ethics Act.

(b) A Board director appointed by the Governor must meet all of the following qualifications:

(1) he or she does not have any interest as a stockholder, employee, attorney, agent, broker, or contractor of an insurance entity that writes workers' compensation insurance or whose affiliates write workers' compensation insurance; however, nothing in this Section shall be construed to prohibit an individual who previously had an interest in an insurance entity that writes workers' compensation insurance or whose affiliates write workers' compensation insurance from being appointed to the Board;

(2) he or she is not the spouse or an immediate family member living with a person who has an interest as a stockholder, employee, attorney, agent, broker, or contractor of an insurance entity that writes workers' compensation insurance or whose affiliates write workers' compensation insurance; however, nothing in this Section shall be construed to prohibit an individual who previously had an interest in an insurance entity that writes workers' compensation insurance or whose affiliates write workers' compensation insurance from being appointed to the Board;

(3) he or she is a resident of the State of Illinois;

(4) he or she is of good moral character and has never pleaded guilty to, or been found guilty of, a felony; and

(5) he or she is not a registered lobbyist under the Lobbyist Registration Act.

(c) The Board directors shall elect a chairman from the Board.

(d) The Board is vested with the full power, authority, and jurisdiction over the Company and may perform any necessary or convenient act in the exercise of its power. The Board shall discharge its duties with the care, skill, prudence, and diligence as that of prudent directors acting in a similar enterprise and purpose. The powers of the Board include, but are not limited to:

(1) the ability to enter into contracts;

(2) the purchase of reinsurance; and

(3) the declaration of dividends.

(e) The Board shall develop bylaws which shall be subject to the restrictions set forth in this Article. The bylaws shall provide for a schedule of at least quarterly meetings and set forth rules specifically relating to the conduct of meetings and voting procedures.

(f) The Board shall reflect the ethnic, cultural, and geographical diversity of the State.

(215 ILCS 5/1720)

Sec. 1720. Ratemaking.

The Board shall have full power and authority to establish rates to be charged by the Company for insurance, subject to the applicable provisions of this Code. The Board shall contract for the services of or hire an independent actuary, who is a member in good standing with the American Academy of Actuaries, to develop and recommend actuarially sound rates. Rates shall be set at amounts sufficient, when invested, to carry all claims to maturity, meet the reasonable expenses of conducting the business of the Company, and maintain a reasonable surplus.

(215 ILCS 5/1725)

Sec. 1725. Guaranty fund.

The Company shall be subject to Article XXXIV of this Code and shall pay any assessments required for members of the Illinois Insurance Guaranty Fund.

(215 ILCS 5/1730)

Sec. 1730. Chief executive officer.

(a) The Board shall hire a chief executive officer who shall serve at the pleasure of the Board. The chief executive officer shall not be a member of the Board and must be qualified by education and experience to manage an organization with financial and operational obligations to policyholders and claimants. The compensation of the chief executive officer shall be determined by the Board.

(b) The chief executive officer shall be responsible for conducting the day-to-day operations of the Company, including the hiring of personnel. The chief executive officer shall also maintain an Internet website for the Company, which shall include information regarding the purchase of policies from the Company, as well as any reports required to be published under this Article.

(c) The chief executive officer shall present a proposed operating budget for the Company to the Board for its approval on an annual basis. The operating budget shall include a description of administrative and personnel costs.

(215 ILCS 5/1735)

Sec. 1735. Liability.

The Board and its employees shall not be personally liable for acts performed in good faith, without the intent to defraud, and made in an official capacity.

(215 ILCS 5/1740)

Sec. 1740. Workplace safety plan.

(a) The chief executive officer shall formulate, implement, and monitor a workplace safety plan for all policyholders. This plan shall include written guidance to reduce workplace accidents, prevent injuries, and promote safe working conditions. Each plan shall have clearly stated safety objectives for the policyholder.

(b) Employees of the Company shall have access to the premises of any policyholder for the purpose of examining the safety conditions of the workplace. The Company may terminate a policy if there is a refusal by the policyholder to permit on-site examinations by the Company or if the policyholder disregards or fails to comply with the safety objectives set forth by the Company in the workplace safety plan.

(215 ILCS 5/1745)

Sec. 1745. Investments.

(a) The Company shall formulate and adopt an investment policy that safeguards the value of all assets and maximizes investment potential. All investments by the Company shall be subject to the applicable restrictions for domestic mutual insurers set forth in this Code.

(b) The Company may retain an independent investment counsel who shall be subject to standards applicable to fiduciaries responsible for safeguarding the assets of a corporation.

(215 ILCS 5/1750)

Sec. 1750. Dividends.

(a) The Company may declare a dividend in accordance with the requirements set forth in this Code.

(b) Dividends may be distributed in the form of premium discounts, dividends, or a combination of dividends and discounts.

(c) In addition to any requirements for dividends set forth in this Code, dividends may only be distributed if:

(1) the initial funding of the Company has been repaid in full;

(2) an independent actuarial report of the prior year's operations has been completed and reviewed by the Board;

(3) the Company has met all expenses for administration and claims for the prior year; and

(4) adequate reserves exist to pay all claims.

(215 ILCS 5/1755)

Sec. 1755. Sale of policies.

The Company shall administer the sale of policies for workers' compensation and occupational disease coverage. The Company shall utilize the Internet and other technologies to the greatest extent possible in order to facilitate the purchase of a policy for employers in this State.

(215 ILCS 5/1760)

Sec. 1760. Auditing requirements.

(a) The Company shall be subject to all examinations and audits required under this Code.

(b) The Board shall retain a competent and independent firm of certified public accountants to perform an annual audit of the performance and management of the Company and an audit of the accounts, funds, and securities of the Company. The costs of these audits shall be paid for by the Company. The audits shall be published on the Company's Internet website.

(215 ILCS 5/1765)

Sec. 1765. Annual report.

(a) On July 1, 2019, the Board shall prepare and submit a report to the Governor, the President of the Senate, the Minority Leader of the Senate, the Speaker of the House, and the Minority Leader of the House. This report shall describe the progress of the Company to date in establishing its operations as a domestic mutual insurance company in this State providing workers' compensation and occupational disease coverage. This report shall include the information required in subsection (b) of this Section, if available.

(b) Beginning July 1, 2020 and continuing every July 1 thereafter, the Board shall prepare and submit a report to the Governor, the President of the Senate, the Minority Leader of the Senate, the Speaker of the House, and the Minority Leader of the House. This report shall contain, at a minimum, the following information:

(1) a summary of the most recent audits performed pursuant to Section 1760 of this Code;

(2) statistical and actuarial data related to the determination of premium rate levels; and

(3) the incidence of work-related injuries and costs related to those injuries.

(c) The reports required under this Section shall be submitted electronically and posted on the Internet website of the Company.

FEDERAL ISSUES

Issue	Update
Federal Tax Cuts and Jobs Act (TCJA) of 2017	<p>The Tax Cuts and Jobs Act (TCJA) was signed into law on December 22, 2017. NCCI analyzed the impact of the TCJA on the workers compensation system costs to reflect changes in the indicated profit and contingency provision. On March 30, 2018, NCCI submitted law-only filings for regulatory approval in the NCCI full rates states (Arizona, Florida, Idaho, Illinois, and Iowa) to be effective June 1, 2018, for new and renewal policies.</p> <p>The TCJA will also lower the individual income taxes for many employees and this will result in higher spendable wages, on average. Certain indemnity benefits are based on spendable wages in the following NCCI states: Alaska, Connecticut, Iowa, New Hampshire, Rhode Island, and South Dakota. The expected impact of these changes in benefit costs will be factored into the next annual NCCI loss cost filing in these states. The one exception is Iowa, which incorporated this change in the law-only filing effective June 1, 2018.</p>
Jones Act Exemption	<p>Legislation has been introduced that would exclude businesses employing aquaculture workers from the federal Merchant Marine Act (aka the Jones Act). The Shellfish Aquaculture Improvement Act of 2018 (HR 5061) would remove aquaculture workers from the definition of "seaman" as defined under the Act if state workers compensation is available to such individuals. Broadly, the Jones Act addresses issues arising from shipping and commerce along the US coasts. Aquaculture workers are excluded from the requirements of the federal Longshore and Harbor Workers' Compensation Act.</p>

STATE LEGISLATIVE ACTIVITY

State	Update
Alaska	HB 303 relates to the workers compensation benefits for rehabilitation and reemployment of injured employees. The bill proposes to increase the amount of reemployment benefits available depending upon the severity of the injury as measured by the permanent partial impairment rating.
Colorado	HB 1429 exempts the Workers' Compensation Cash Fund from the maximum reserve requirements of 24-75-402 CRS.
Louisiana	HB 828 provides for the electronic notice of certain workers compensation information. SB 180 provides for tort liability against any workers compensation insurer that causes further injury through the unreasonable denial of medical treatment to an injured worker. SB 536 would require an expedited hearing to be held before suspension of workers compensation benefits could occur, where the suspension is related to the refusal of employees to submit to additional medical opinions regarding medical examinations or obstruct additional medical opinions or examinations. It provides that such a hearing would have to occur not less than 10 or more than 30 days after the employee, or his attorney, receives notice, delivered by certified or registered mail, of the employer's or insurer's motion.
Oklahoma	HB 3717 creates the Multiple Injury Trust Fund Recovery Act to: <ul style="list-style-type: none"> • Change eligibility criteria for claims against the Multiple Injury Trust Fund (MITF) • Provide additional funding for the fund from nongovernmental sources • Authorize the Workers' Compensation Commission to increase the MITF assessment rate on insurers, self-insured employers, and group self-insurance associations

STATE COMMITTEE ACTIVITY

State	Update
Florida	The Three-Member Panel met in Tallahassee on April 10, 2018 to adopt the 2018 schedules for maximum reimbursement allowances for physicians, hospitals, and ambulatory surgical centers. The Florida Workers' Compensation Fraud Task Force met in Lake Mary on April 27, 2018 to discuss trends and current issues related to claims and premium fraud.
Montana	The Montana Economic Affairs Interim Committee/SJR 27 Subcommittee is continuing to hold hearings regarding the structure of the workers compensation system in the state. There is no active discussion regarding changing benefits for injured employees.
Oregon	The Department of Consumer and Business Services rule making advisory committee met April 30 to consider replacement of temporary rules regarding the calculation of an injured employee's weekly wage and applicable temporary disability. Additionally, the committee will also consider replacement of temporary rules adopted subsequent to the <i>Chu v. SAIF</i> , 290 Or App 194 (2018), pertaining to vocational assistance to injured employees.

OTHER ITEMS OF INTEREST

State	Update
Georgia	HB 795 , in part, amends O.C.G.A. Section 34-9-57 related to the eligibility for administrative law judge emeritus and director emeritus of the State Board of Workers' Compensation. HB 795 also amends O.C.G.A. Section 34-9-60 to add subsection (c) related to the rule-making and subpoena powers of the State Board of Workers' Compensation.
Kentucky	On March 23, 2018, In <i>Napier v. Enterprise Mining Co.</i> , the Kentucky Court of Appeals found Kentucky state statute KRS 342.7305(2) to be unconstitutional on equal protection grounds. The statute requires claimants seeking permanent partial disability (PPD) income benefits for occupational hearing loss resulting from traumatic ear injuries to show an impairment rating of 8% or greater in order to recover. The Court noted that this statute imposes a much higher threshold on hearing loss claimants seeking PPD benefits than similar statutes impose on claimants seeking PPD benefits for other forms of traumatic injuries. Accordingly, the Court found that the arbitrary difference in statutory treatment of similarly situated traumatic injury claimants violates the equal protection guarantees of the Federal and Kentucky Constitutions. As of this week, this case has been appealed to the Kentucky Supreme Court.

State	Update
Mississippi	<i>Logan v. Klaussner Furniture Corp.</i> , No. 2015-CT-01760-SCT (March 15, 2018) - In this <i>en banc</i> decision, the Mississippi Supreme Court overturned a decision of the Court of Appeals which had improperly held that either Mississippi Code Section 71-3-17(a) or Section 71-3-17(c)(25) governed where the claimant had a permanent partial disability related to a compensable leg injury. The Mississippi Supreme Court ruled that the Administrative Law Judge and the Mississippi Workers' Compensation Commission (Commission) had properly applied Section 71-3-17(c)(2) and reinstated the Commission's holding that the employee was entitled to 105 weeks of compensation at a set amount for the scheduled-member injury.
South Dakota	The Department of Labor and Regulation issued proposed rules to amend its Workers Compensation Fee Schedule. The reasons for adopting these rules are to change references to the most current version of the relative values manual the department uses and to revise the conversion factors for some medical services. A public hearing is scheduled to be conducted May 14, 2018 in Pierre, SD, with a comment deadline of May 18, 2018. <i>NCCI is currently analyzing for potential system cost impact.</i>
Texas	The Texas Division of Workers' Compensation announced that it has approved regulations that will allow medical providers to bill insurers for telemedicine services. The rules, contained in Section 133.30 of the Texas Administrative Code, allow providers to be reimbursed for services regardless of where the injured worker is located at the time the services were delivered if Medicare payment policies and billing provisions are followed. The Texas regulation allows an exception to Medicare rules in that telemedicine is not restricted to health professional shortage areas for workers compensation patients. The regulation does not change who may provide services, which is established by professional regulatory or licensing boards. The change in policy was mandated by Senate Bill 1107, passed last year. The new code takes effect May 6, 2018, and will apply to telemedicine and telehealth services provided on or after September 1, 2018.
Vermont	<i>Lyons v. Chittenden Central Supervisory Union</i> - On March 16, 2018, the Vermont Supreme Court overturned the decision of the Department of Labor Commissioner (Commissioner), which held that the claimant did not qualify for workers' compensation benefits for an injury sustained while taking part in a student teaching program. The Commissioner reasoned that absent actual or expected payment of some form of remuneration by employer to employee, an employment relationship did not exist and, therefore, workers' compensation coverage did not attach. The Vermont Supreme Court found that the claimant does fall within the statutory definition of an employee for purposes of workers' compensation on the grounds that the loss of the student teacher program equates to a loss of the license to practice a profession and, therefore, the value of the lost advantage can be estimated in money. The Vermont Supreme Court reversed and remanded to the Commissioner to determine the amount of benefits to which claimant is entitled.

Contact Information

If you have any questions about the legislation or proposals mentioned, please contact the appropriate NCCI state relations executive (listed below) or a representative of your local insurance trade association.

State	State Relations Executive	Phone Number
IN, NC, SC, TN	Amy Quinn	803-356-0851
HI, NV, UT	Brett Barratt	801-401-6464
MO, NE, OK, SD	Carla Townsend	314-843-4001
AZ, IA, KS, KY	Clarissa Preston	561-945-4517
DC, MD, NM, VA, WV	David Benedict	804-380-3005
CO, FL	Dawn Ingham	561-893-3165
CT, ME, NH, RI	Justin Moulton	860-969-7903
VT	Laura Backus Hall	802-454-1800
AL, GA, LA, MS	Laura Hart Bryan	225-618-8168
AR, IL, TX	Terri Robinson	501-333-2835
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This report is informational and is not intended to provide an interpretation of state and federal legislation.