



\$1 Billion Workers' Comp Refund For Ohio Employers

Insights

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On May 2, 2013 Gov. John Kasich proposed a workers' compensation rebate for Ohio's 210,000 public and private employers. The rebate could amount to as much as \$1 billion. The announcement was made at a press conference at Homage, a small business in the Short North neighborhood of Columbus.

During the conference, Kasich also proposed tripling investments in worker-safety grants and lowering workers' compensation rates for employers by modernizing the way the Bureau of Workers' Compensation (BWC) calculates employers' rates. The \$1.9 billion total proposal is possible as a result of the BWC's net assets which currently exceed \$8 billion dollars and is more than enough to cover the BWC's financial obligations.

The rebates for Ohio employers will likely range from \$5 to over \$1 million for some employers. According to Gov. Kasich, this proposal is conservative and will allow the BWC to maintain an appropriate amount of "cushion." The Governor touted his administration's efforts to "create a jobs-friendly climate" pointing out that Ohio has gone from having lost 400,000 jobs to creating more than 115,000 jobs. The proposal also includes lowering employer's premium rates by 2% for private employers and 4% for public employers.

The proposal still must be approved by the BWC Board, but approval seems likely. Predictions are that employers could expect their rebate checks as soon as June or July of this year.

If you have questions regarding the impact this announcement has on your company contact one of the attorneys in the Ohio offices of Fisher Phillips: Cleveland at (440) 838-8800 or Columbus at (614) 221-1425.

This Legal Alert provides highlights of a specific state proposal. It is not intended to be, and should not be construed as, legal advice for any particular fact situation.