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The original instrument was prepared by Carla S. Roberts. The following digest, which does not constitute a part of the legislative instrument, was prepared by Cathy R. Wells.

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## DIGEST

Riser (SB 198)

Present law provides that an employer doing business in the state of Louisiana must provide workers' compensation coverage for the employees of the business.

Present law provides that an employer may provide statutorily required workers' compensation coverage for employees by purchasing coverage from a stock corporation, mutual association, or other concern authorized to transact the business of workers' compensation insurance in this state. Present law provides that the workers' compensation insurer shall file notice of coverage with the director of the office of workers' compensation with the Workforce Commission.

Proposed law retains present law but changes the requirement that the notice of coverage be sent to the National Council on Compensation Insurance instead of the director of the office of workers' compensation.

Proposed law provides that proof of coverage must be filed no later than 30 days after the effective date of coverage and include the name of each business entity operating in the state of La. for which coverage has been obtained.

Present law provides that in addition to any other penalty prescribed by law, any employer who fails to secure compensation required by present law shall be liable for a civil penalty, to be assessed by the executive director or his designee, of not more than \$250.00 per employee for a first offense, and liable for a civil penalty of not more than \$500.00 per employee for a second or subsequent offense; however, the maximum civil penalty for a first offense shall not exceed \$10,000 for all related series of violations.

Proposed law retains present law but provides that a workers' compensation judge shall assess any civil penalty against an employer who fails to provide proof of compliance within 15 days of any notice.

Proposed law provides that, in addition to any penalties assessed, the workers' compensation judge shall order the employer to provide proof of workers' compensation coverage within 45 days of the order.

Present law provides that the financial and compliance officer shall determine, based upon all of the evidence submitted by the employer, a fair and equitable resolution of the violation, taking into consideration any mitigating circumstances. Present law provides that the financial and compliance officer shall assess a penalty commensurate with the violation so adjudged. Present law provides that any appeal regarding a disputed claim shall be decided in the district court in

which the business of the employer is located or East Baton Rouge Parish.

Proposed law retains present law but provides that the workers' compensation judge shall conduct the hearing on the matter and an appeal may be made in the appropriate circuit court of appeal.

Present law provides that the director shall investigate an employer if he receives information from any person or entity that such employer has failed to provide workers' compensation coverage for his employees. Present law provides that if such allegations can be reasonably substantiated, the director, shall notify the employer that, unless he can show proof of coverage, he may be subject to further fines and penalties including but not limited to an injunction against further business operations.

Proposed law retains present law but provides that if such allegations can be reasonably substantiated and the employer has been fined or penalized under, the director, or his designee, shall notify the employer that unless he can show proof of coverage within 15 days, the employer will be subject to further fines and penalties including but not limited to an injunction against further business operations.

Proposed law provides that if within 15 days of the employer's receipt of such notice he has not submitted to the director satisfactory proof of such compliance, the director or his designee shall request the workers' compensation judge of any district where the employer does business to set the matter for hearing and the workers' compensation judge shall issue a rule to show cause to the employer why he should not be fined or penalized for failure to show proof of workers' compensation coverage.

Effective August 1, 2014.

(Amends R.S. 23:1168(A)(1) and (4) and (B), 1170(A) and (B), 1171, 1171.1, and 1291(C)(5); adds R.S. 23:1170(C); repeals R.S. 23:1168(A)(5))

#### Summary of Amendments Adopted by Senate

##### Senate Floor Amendments to engrossed bill

1. Makes technical corrections, including citation.