
DIGEST

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Patricia Smith

HB No. 873

Abstract: Provides for an increase in criminal penalties for employers who fail to secure workers' compensation coverage for their employees and those who willfully misrepresent that compensation has been provided. Also requires that all fines collected be deposited into the Workers' Compensation Administrative Fund.

Present law provides that any employer who fails to secure workers' compensation coverage as required by present law shall be liable for civil penalties.

Present law provides a first offense penalty for an employer is \$250 per employee, second or subsequent offenses are \$500 per employee, and all related series offenses have a maximum civil penalty of \$10,000.

Proposed law provides for a maximum civil penalty of \$10,000 for a first offense.

Present law provides that under criminal penalties an employer who is in violation of securing workers' compensation may be fined not more than \$10,000.

Proposed law provides under criminal penalties employers who fail to provide workers' compensation coverage may be fined \$250 dollars per day that the employer willfully failed to provide security for compensation. Also provides all fines collected will be deposited in the Workers' Compensation Administrative Fund.

Present law provides an employer who willfully misrepresents in writing that he has provided workers' compensation coverage shall be fined not more than \$10,000.

Proposed law provides an employer who willfully misrepresents in writing that he has provided workers' compensation coverage may be fined \$250 dollars per day that the employer willfully failed to provide compensation. Also provides that all fines collected will be deposited in the Workers' Compensation Administrative Fund.

Present law provides that it is unlawful for a person to knowingly make a false statement or knowingly omit or conceal information to obtain workers' compensation coverage. Such actions are punishable by imprisonment, fine, or both.

Proposed law retains present law but provides that the fine shall be \$250 per day for the person's violation of present law and shall be deposited in the Office of Worker's Compensation

Administrative Fund.

(Amends R.S. 23:1170(A),1171.1(C)(1),1172(A),1172.1(C), and 1172.2(D))

Summary of Amendments Adopted by House

Committee Amendments Proposed by House Committee on Labor and Industrial Relations to the original bill.

1. Made technical changes.
2. Restored present law provisions regarding the failure to secure workers' compensation insurance.
3. Provided for a change in civil penalties for first offenses.
4. Provided for an increase in criminal penalties and removed cap on amount of fine.
5. Provided for a fine of \$250 per day for employers who willfully misrepresent or knowingly make fraudulent or misleading oral or written statements that compensation has been provided.
6. Provided all fines collected shall be deposited in the Office of Workers' Compensation Administrative Fund.