

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 791 Session of
2007

INTRODUCED BY DENLINGER, BAKER, BOYD, CAPPELLI, CLYMER, DALEY,
EVERETT, FAIRCHILD, GILLESPIE, GINGRICH, HARPER, HENNESSEY,
HERSHEY, HUTCHINSON, KAUFFMAN, KILLION, MILLARD, NAILOR,
PETRI, PHILLIPS, PICKETT, ROHRER, ROSS, SAYLOR, STEIL, STERN
AND WATSON, MARCH 19, 2007

REFERRED TO COMMITTEE ON LABOR RELATIONS, MARCH 19, 2007

AN ACT

1 Amending the act of June 2, 1915 (P.L.736, No.338), entitled, as
2 reenacted and amended, "An act defining the liability of an
3 employer to pay damages for injuries received by an employe
4 in the course of employment; establishing an elective
5 schedule of compensation; providing procedure for the
6 determination of liability and compensation thereunder; and
7 prescribing penalties," providing for appeals concerning the
8 State Workers' Insurance Fund; and establishing the State
9 Workers' Insurance Appeal Board.

10 The General Assembly of the Commonwealth of Pennsylvania
11 hereby enacts as follows:

12 Section 1. Section 1501 of the act of June 2, 1915 (P.L.736,
13 No.338), known as the Workers' Compensation Act, reenacted and
14 amended June 21, 1939 (P.L.520, No.281), is amended by adding a
15 definition to read:

16 Section 1501. As used in this article:

17 * * *

18 "Appeal board" means the State Workers' Insurance Appeal
19 Board established in section 1518.2.

20 * * *

1 Section 2. The act is amended by adding sections to read:

2 Section 1518.1. (a) A subscriber aggrieved by the
3 application of the board's auditing or premium findings has the
4 right to a hearing before the appeal board, in person or by the
5 subscriber's authorized representative, on the findings.

6 (b) A subscriber must exhaust the fund's policy dispute
7 procedures before filing an appeal.

8 (c) Procedure before the appeal board shall be in accordance
9 with regulations promulgated by the department. The regulations
10 shall include the following provisions:

11 (1) The requirement of a written request for a hearing.

12 (2) The option to decline to hear appeals which are:

13 (i) frivolous in nature; or

14 (ii) of a monetary value not warranting the appeal board's
15 attention.

16 (d) This section is subject to 2 Pa.C.S. Chs. 5 Subch. A
17 (relating to practice and procedure of Commonwealth agencies)
18 and 7 Subch. A (relating to judicial review of Commonwealth
19 agency action).

20 Section 1518.2. (a) The State Workers' Insurance Appeal
21 Board is established.

22 (b) The appeal board shall consist of the following members:

23 (1) The secretary or a designee, who shall act as chair.

24 (2) Three representatives of the fund appointed by the
25 secretary.

26 (3) The Insurance Commissioner or a designee.

27 (4) The chair and minority chair of the Labor and Industry
28 Committee of the Senate, or designees.

29 (5) The chair and minority chair of the Labor Relations
30 Committee of the House of Representatives, or designees.

1 (6) The following members appointed by the secretary:

2 (i) A representative of the National Federation of
3 Independent Business.

4 (ii) A representative of the Pennsylvania Chamber of
5 Business and Industry.

6 (c) A member appointed under subsection (b)(2) or (6) must
7 be knowledgeable in the area of established legal doctrine in
8 regards to employe and independent contractor relationships.

9 (d) A member under subsection (b)(1), (3), (4) or (5) shall
10 serve ex officio. A member under subsection (b)(2) or (6) shall
11 serve for a term of two years.

12 (e) The appeal board shall meet when called by the
13 secretary.

14 (f) Seven members constitute a quorum.

15 (g) Members of the appeal board shall not be compensated for
16 their service on the board but shall be entitled for
17 reimbursement of reasonable travel and lodging expenses to be
18 paid for by the fund.

19 (h) The secretary shall appoint the staff necessary for the
20 efficient operation of the appeal board.

21 Section 3. The Secretary of Labor and Industry shall do all
22 of the following:

23 (1) Take the necessary actions to ensure that the State
24 Workers' Insurance Appeal Board is in operation by July 1,
25 2007; and

26 (2) When the board is in operation, submit to the
27 Legislative Reference Bureau for publication in the
28 Pennsylvania Bulletin a notice that the board is in
29 operation.

30 Section 4. The Department of Labor and Industry shall

1 propose regulations under section 1518.1(c) of the act within 60
2 days of the effective date of this section.

3 Section 5. This act shall take effect as follows:

4 (1) The addition of section 1518.1 of the act shall take
5 effect upon publication of the notice under section 3(2) of
6 this act.

7 (2) The following provisions shall take effect
8 immediately:

9 (i) Section 3 of this act.

10 (ii) Section 4 of this act.

11 (iii) This section.

12 (3) The remainder of this act shall take effect in 60
13 days.