2016 WBL/YAP Pre-Conference
July 9-10, 2016
Rennaisance Waverly
GACTE Conference
Atlanta, GA

General Session on Legislative Issues and GACTE Update
Facilitator: Dwayne Hobbs
Presenter: Eddie Lumsden, State Representative
Presenter: Steve Manders

Dwayne Hobbs
Program Manager
dhobbs@doe.k12.ga.us
404-606-2348
Eddie Lumsden

State Representative of District 12

• Importance of HB 402 and the process:
• Legislative Committee
• Involvement of Department of Education
• Involvement of Insurance Commission
• Garnering Support of the Insurance Committee
• Hearings
• Support of other legislators
• Passage of the Bill
Legislative Committee

Eddie Lumsden, State Representative
Irene Munn, Legal Assistant to Lieutenant Governor Casey Cagle
Dwayne Hobbs, Georgia Department of Education, CTAE Division
Mike Royal, State Board of Education Member
Steve Manders, Director of Product Review, State Insurance Commission
Betsy Howerton, Deputy Legislative Counsel, Office of Legislative Counsel
Judge Elizabeth D. Gobeil, Director, Workers Compensation Board
Delece Brooks, Executive Director, Workers Compensation Board
Stacy G. Freeman, Attorney at Law
Ad Hoc Members, State School Boards Association
HB 402
Sponsors

(1) Eddie Lumsden - 12th
(2) Terry England - 116th
(3) Bruce Broadrick - 4th
(4) Brooks Coleman - 97th
(5) Tom Dickson - 6th
(6) And others.
Dwayne Hobbs

Program Specialist for Work-Based Learning and Youth Apprenticeship.

• Review of HB 402
• Implications for WBL Coordinators
HB 402

... so as to encourage employers to provide work based learning opportunities for students age 16 and older;

to provide for an optional reduction in workers' compensation premiums for employers that provide work based learning;

to provide that work based learning students are covered under workers' compensation insurance;

to establish criteria for employers providing work based learning;
Section 1

• 11 The General Assembly finds that it would be beneficial to students, employers, and the
• 12 economic health of the state to assist in providing highly trained, technologically
• 13 sophisticated, and career oriented students which will aid in the development of a successful
• 14 twenty-first century work force. By opening their doors to work based learning
• 15 opportunities, employers can play an active role in shaping the quality of their future work
• 16 force, by preparing potential leaders for their company and their community, and by helping
• 17 shape future curriculum to create an educated work force for their industry as a whole. Work
• 18 based learning programs can provide students the opportunity to work and learn in a
• 19 real-world environment and prepare them for future career opportunities. Such work based
• 20 learning opportunities can be accomplished by developing partnerships between and among
• 21 the business community, industry, students, parents, school systems, and postsecondary
• 22 education institutions.
Section 2

• 27 (a) For each policy of workers' compensation insurance issued or renewed in the state on and after July 1, 2016, there may be granted by the insurer up to a 5 percent reduction in the premium for such policy if the insured has been certified by the State Board of Education to the State Board of Workers' Compensation as a work based learning employer pursuant to Article 12 of Chapter 9 of Title 34 and has notified its insurer in writing of such certification.

• 28 (b) If granted, the premium discount provided by this Code section shall be applied to an insured's policy of workers' compensation insurance pro rata as of the date the insured receives such certification and shall continue for as long as the insured maintains the certification; provided, however, that an insurer shall not be required to credit the actual amount of the premium discount to the account of the insured until the final premium audit under such policy. Certification of an insured shall be required for each year in which a premium discount is granted.
Section 3

- 55 Chapter 9 of Title 34 of the Official Code of Georgia Annotated, relating to workers' compensation, is amended by adding a new Code section to read as follows:
- 56 "34-9-2.4.
- 57 (a) As used in this Code section, the term:
- 58 (1) 'Work based learning placement' or 'placement' shall have the same meaning as in Code Section 34-9-430.
- 59 (2) 'Work based learning student' or 'student' shall have the same meaning as in Code Section 34-9-430.
- 60 Notwithstanding the provisions of paragraph (2) of Code Section 34-9-1:
- 61 (1) A work based learning student in a paid work based learning placement for an employer shall be deemed an employee of such employer for purposes of workers' compensation coverage; and."
Section 3

- 67 (2) A work based learning student in an unpaid work based learning placement for an
- 68 employer shall be deemed an employee of such employer for purposes of workers'
- 69 compensation coverage unless all of the following conditions apply:
- 70 (A) The placement, even though it includes actual operation of the facilities of the
- 71 employer, is similar to training which would be given in an educational environment;
- 72 (B) The placement is for the benefit of the student;
- 73 (C) The student does not displace regular employees, but works under close
- 74 supervision of existing staff;
- 75 (D) The employer that provides the training derives no immediate advantage from the
- 76 activities of the student; and on occasion its operations may actually be impeded;
- 77 (E) The student is not necessarily entitled to a job at the conclusion of the placement;
- 78 and
- 79 (F) The employer and the student understand that the student is not entitled to wages
- 80 for the time spent in the placement."
Section 4

85 As used in this article, the term:
86 (1) 'Employer' means a person or entity that is subject to the provisions of this chapter
87 but shall not include the state or any department, agency, or instrumentality of the state;
88 any county; any county or independent school system; any municipal corporation; or any
89 employer which is self-insured for the purposes of this chapter.
90 (2) 'Employer member of a group self-insurance fund' means any employer who is a
91 member of a fund certified pursuant to Code Section 34-9-153.
92 (3) 'Self-insured employer' means any employer certified pursuant to Code Section
93 34-9-127.
Section 4 (continued)

• 107 (a) A work based learning employer that has been certified pursuant to this Code section
• 108 may be eligible for a premium discount under such employer's workers' compensation
• 109 insurance policy pursuant to Code Section 33-9-40.3.
• 110 (b) The State Board of Education shall certify to the State Board of Workers'
• 111 Compensation that a work based learning employer meets the following requirements:
• 112 (1) Enters into a training agreement with one or more work based learning students, the
• 113 student's parent or guardian, and the school's work based learning coordinator;
• 114 (2) Develops, in conjunction with the school's work based learning coordinator, a
• 115 detailed training plan for the work based learning student that focuses on development
• 116 of technical skills and employability skills;
• 117 (3) Assigns a mentor to the work based learning student and assist in monitoring the
• 118 progress of such student;
• 119 (4) Provides workers' compensation insurance coverage for the work based learning
• 120 student;
• 121 (5) Complies with all federal, state, and local laws and regulations regarding the
• 122 employment of students; and
• 123 (6) Complies with the rules and regulations of the State Board of Education.
Section 4 (continued)

• 125 A self-insured employer or an employer member of a group self-insurance fund that
• 126 provides work based learning placements for one or more work based learning students
• 127 substantially in accordance with Code Section 34-9-431 and that complies with all other
• 128 provisions of this article required of employers in order to qualify for insurance premium
• 129 discounts may be certified by the State Board of Education to the State Board of Workers'
• 130 Compensation as a work based learning employer in compliance with this article
Steve Manders

Director of Insurance Product Review, Georgia Department of Insurance

• National Council on Compensation Insurance (NCCI)
• Filing with NCCI (miscellaneous rule in the *Basic Manual*)
• Amount of the premium credit
• Maximum credit
• To qualify: (meet all provisions of training agreement)
• Exhibit 1, Exhibit 2, Exhibit 3
• Exhibit 4 (Code to be used for WBL students)
NCCI

• How is Workers Compensation regulated in Georgia?

• What is NCCI?

• What is the relationship between Insurance Commission, NCCI, and Insurance carriers?

• What is the NCCI filing and why is it important?

• How should the WBL coordinator communicate with employers that may not know about the provisions of HB402?
The Premium Credit

• The amount of the premium credit varies from 2% to 5%, depending on the number of students employed as part of the WBL program, and is subject to a maximum credit that is not to exceed $2,500.

WORK-BASED LEARNING PROGRAM PREMIUM CREDIT

1. Employers who participate in the work-based learning program (program) through the Georgia Department of Education (DOE) may receive a credit of up to 5% in accordance with the table below, subject to a maximum credit that is not to exceed $2,500:

<table>
<thead>
<tr>
<th># of Students Employed</th>
<th>Credit</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>2%</td>
</tr>
<tr>
<td>2</td>
<td>3%</td>
</tr>
<tr>
<td>3</td>
<td>4%</td>
</tr>
<tr>
<td>4 or more</td>
<td>5%</td>
</tr>
</tbody>
</table>
Employer Qualification

1. **HB 402 provision:** For each policy of workers’ compensation insurance issued or renewed in the state on and after July 1, 2016, there may be granted by the insurer up to a 5 percent reduction in the premium for such policy if the insured has been certified by the State Board of Education to the State Board of Workers’ Compensation as a work based learning employer pursuant to Article 12 of Chapter 9 of Title 34 and has notified its insurer in writing of such certification. *(This is derived from Employer Data Base in C-NET)*

2. **NCCI provision:** “Provide its carrier with a fully executed copy of the Georgia DOE Educational Training Agreement for each work-based learning student”

3. **NCCI provision:** “Meet all provisions required in the Agreement for each work-based learning student.”
Exhibits

- Exhibit 1 – Premium Credits (already explained)

- Exhibit 2 – GEORGIA MISCELLANEOUS RULES

<table>
<thead>
<tr>
<th>X</th>
<th>Work-Based Learning Program factor (1 - WBL Credit %)</th>
<th>[% applied to Total Modified Premium]</th>
</tr>
</thead>
</table>

- Exhibit 3 - GEORGIA MISCELLANEOUS RULES—APPLICABLE TO ASSIGNED RISK POLICIES ONLY

<table>
<thead>
<tr>
<th>X</th>
<th>Work-Based Learning Program factor (1 - WBL Credit %)</th>
<th>[% applied to Total Modified Premium]</th>
</tr>
</thead>
</table>
# EXHIBIT 4
STATISTICAL PLAN—2008 EDITION
PART 6—CODING VALUES
H. STATISTICAL CODES

2. PREMIUM AMOUNT NOT SUBJECT TO EXPERIENCE MODIFICATION FACTOR

<table>
<thead>
<tr>
<th>Description</th>
<th>Stat Code</th>
<th>Premium Credit (−) or Debit (+)</th>
<th>Applicable States</th>
<th>Effective Date</th>
<th>Discontinuation Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Work-Based Learning Program</td>
<td>9777</td>
<td>−</td>
<td>GA</td>
<td>01/01/16</td>
<td></td>
</tr>
</tbody>
</table>