



Proposed Legislative Changes to Workers' Compensation Laws May Cost New York Billions in Federal Aid

46 Groups Join The Business Council in Opposition of Altering State Law

Albany, NY – The Business Council of New York State Inc. has renewed its opposition to proposed legislation that amends New York State's Workers' Compensation Laws to create an occupational disease presumption for nearly all employees who have contracted COVID-19. The Business Council joined 46 other employer organizations in issuing a bill memo to the full Senate and Assembly expressing concern over the legislation.

The Business Council understands and appreciates the severity of the virus and the implications it has on all affected, especially those who contract coronavirus at work. However, we believe it is critical to take care of New Yorkers made ill by the virus in an efficient way without forfeiting federal relief money the state desperately needs.

Current legislation, S.8266 (Ramos) & A.10401 (Simotas), and similar bills, require a drastic and costly shift to current state law. The bill, giving presumption of disability to nearly all New York's private and public sector employees, shifts the cost of these worker's medical care, lost wages, and other benefits to the workers' compensation system. The Business Council is concerned that expanding workers' compensation through this mechanism would limit employees' access to federal funding and paid time off in the CARES Act, and other crucial funding likely to be offered in future stimulus packages.

“Shifting the costs of responding to COVID-19, from the federal government to New York's employers, without any particular benefit to New Yorkers, is a bad deal for the state. While we believe the presumption proposal is bad policy, it would be especially damaging now as these employers are going to restart New York businesses and jobs. This unnecessary cost-shift will stymie job and economic recovery and will result in no greater benefit to employees sickened with COVID.”

■ *Heather Briccetti, President & CEO, The Business Council of New York State*

Federal Protection Already Exists but Would Be Lost Through Offset

The federal government has already taken measures to protect workers during this pandemic. The federal Pandemic Unemployment Assistance (PUA) provided under the CARES Act is available for employees who remain employed but are unable to work due to COVID-19. However, this federal funding would be offset by disqualifying income, which would include workers' compensation payments. Thus, by enacting this legislation, *the Legislature would be shifting 100% of these costs from the federal government to New York employers.*

Unnecessary Under Current State Law

New York's Workers' Compensation Law already addresses and provides treatment and compensation for occupational diseases, defined as an injury or illness that is associated with the nature of the occupation. Frontline workers who become sick with COVID-19 at work would be covered under current Workers' Compensation Law.

Statements to Contrary are Simply False

A recent legislative analysis (March 27) of a nearly identical piece of legislation by the New York Compensation Insurance Rating Board projected the cost impact on the state's workers compensation system to be as high as \$31 billion, compared to current annual losses in the state's workers' compensation system, including both the insured market and self-insureds, of approximately \$8.7 billion.

State-wide Support

As shown in the attached bill memo, The Business Council of New York State has joined with 46 organizations representing private and public sector workers from across New York State In their opposition to S.8266 (Ramos) & A.10401 (Simotas).

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