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Contact: Hadley Pawlak, Buffalo Niagara Partnership, (716) 852-7100 or (716) 310-8331

UNSHACKLE UPSTATE COALITION, OTHERS JOIN FORCES TO SUCCESSFULLY LOBBY FOR WORKERS' COMPENSATION IMPROVEMENT ACT

Aims to reduce costs for employers and increase benefits for injured workers by amending antiquated and increasingly costly legislation

A coalition concerned about New York's economy announced today it has successfully lobbied for a bill in the Assembly and Senate to amend both the state's Workers' Compensation Law and Labor Law Sections 240/241 (Scaffold Law).

The Workers' Compensation Improvement Act, if signed into law, would reduce costs and liability for employers and increase benefits for injured workers.

According to the New York Compensation Insurance Rating Board, in the first year the bill would save employers an estimated 18 percent or about \$708.2 million. As the benefits phase in over time, total savings would be 12 percent, or \$480 million.

"This is a significant step in enacting change that will help drive down business costs and create jobs," said Sandy Parker, president and chief executive of the Rochester Business Alliance. "We need legislation that will help stem the exodus of people from our state and bring people here."

Currently, New York state has the second-highest average workers' compensation costs in the nation and pays the lowest maximum weekly benefit to injured workers than any state in the nation.

"Anything that would help lower the costs for employers and increase benefits for injured workers is a positive," said Steven Abramson, president of Pace Windows and Doors Corp. headquartered in Victor, Ontario County. "The state should be looking at every opportunity to stimulate and motivate businesses to stay and prosper in New York."

Bill highlights include:

- Increasing the maximum weekly workers' compensation benefit for total disability cases from the current \$400 per week to \$550 per week on Jan. 1, 2011.
- Increasing the maximum weekly workers' compensation benefit level for partial disability cases from the current \$400 per week to \$500 per week on Jan. 1, 2009.
- Capping permanent partial disability injuries from a lifetime benefit to a reasonable duration ranging from five to 10 years, or a maximum of 500 weeks.

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- Establishing a joint labor-management Return to Work Task Force whose objectives would include ensuring injured workers receive medical care necessary for proper rehabilitation and a prompt return to work.
- Amending Labor Law Sections 240/241 by applying reasonable standards that are more consistent with other state's practices.

The coalition, which brought the bill forward, includes 23 groups working together under the Unshackle Upstate banner to reform state policies that stunt economic growth. Those coalition partners include the Rochester Business Alliance, the Buffalo Niagara Partnership, the Greater Syracuse Chamber of Commerce and the Business Council of New York State. The New York Workers' Compensation Action Network (NYCAN) and Builder Partners, a statewide coalition of building/construction, home builders and general business firms, also support the bill.

"There may be no concern that unites our members more than the extraordinary workers' compensation costs in New York State," said Andrew J. Rudnick, president and chief executive officer of the Buffalo Niagara Partnership. "The burden of workers' compensation is cited by small businesses, large manufacturers and high-tech and life sciences companies alike as a top reason they find it so difficult to thrive Upstate. Every dollar our members spend on the nation's second-most costly workers' comp system, is a dollar they aren't spending to expand, hire more people and positively impact the local economy."

"New York's workers' compensation system remains one of the worst in the nation," said Joseph Morelle (D-Irondequoit, Monroe County), who is sponsoring the bill (No. A12000) in the Assembly. "Premiums are crushing businesses struggling to remain competitive and injured workers do not receive timely care or adequate benefit levels. This must change. We cannot hope to retain and create jobs with this archaic and costly system in place."

The bill is co-sponsored in the Assembly by David Koon (D/I-Perinton, Monroe County), RoAnn Destito (D-Rome, Oneida County), Joan Christensen (D-Syracuse, Onondaga County), William Magee (D-Nelson, Madison County), Donna Lupardo (D-Endwell, Broome County), Robin Schimminger (D-Kenmore, Erie County) and Darrel Aubertine (D-Cape Vincent, Jefferson County).

"Across upstate New York, job growth is anemic, wages are nearly stagnant and young people are leaving the region in search of better opportunities," said James Alesi (R/C-Perinton), who is sponsoring the bill (No. S8212) in the Senate. "The long overdue reforms in this bill would provide much-needed relief to businesses across Upstate New York, and help propel the economy of Upstate New York to an era of prominence once again."

The bill is co-sponsored in the Senate by Thomas Libous (R/C/I-Binghamton, Broome County), Michael Nozzolio (R-Fayette, Seneca County), Mary Lou Rath (R/C/I-Williamsville, Erie County), Joseph Robach (R-Greece, Monroe County), James Seward (R/C/I-Oneonta, Otsego County), Dale Volker (R/C/I-Depew, Erie County), George Winner, Jr. (R/C-Elmira, Chemung County) and James Wright (R/C/I,-Watertown, Jefferson County).

"For too long, Upstate has lost out on too many job-generating opportunities because our state's regressive workers' compensation policies," said Darlene D. Kerr, president of the Greater Syracuse Chamber of Commerce. "Bringing our workers' compensation and safety into the 21st Century, and more in line with the rest of the country, will significantly enhance our competitiveness. This is absolutely the right thing to do for both business and workers."

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