

COSTELLO MEDIA RELEASE

Contact: Liz McNeill

Phone: 405-521-6102

Date: June 29, 2011

Work Comp Enforcement Continues for Oklahoma Department of Labor in Payne County

OKLAHOMA CITY – Commissioner Mark Costello announced last week that the Oklahoma Department of Labor would be taking aggressive action to enforce past workers' compensation judgments against Oklahoma employers who failed to provide, or under provided workers compensation insurance. Costello had stated there were over \$1.6 million in outstanding penalties that had gone uncollected during the previous administration. He listed eleven counties that would initially be pursued leading to eventual statewide enforcement action.

The first judgment was filed June 15th in Oklahoma County. Last Friday, a judgment was filed in Payne County against B & E Enterprises, Inc. who owns and operates Tumbleweed Ballroom in Stillwater. B & E were cited on October 12, 2009 for failure to carry workers' compensation insurance on 29 employees. The Oklahoma Department of Labor began investigating this employer after the death of an employee in the parking lot in August 2009. The employer initially complied with document requests from the Department of Labor, but failed to provide proof of coverage. B& E Enterprises, Inc. did not appear at the hearing on the matter and an order was issued on December 15, 2009 for \$7,250. To date, no payments have been made.

Costello explained that the process begins with an investigation to determine coverage. The Employment Standards Division then gives 30 days to comply. If the employer fails to comply, additional penalties are assessed. This process involves an Administrative Hearing and plenty of opportunities to comply.

Commissioner Costello explained that the backlog of three years left from the previous administration was going to be actively addressed. He believes that the protection of employees is most important. "We are going to aggressively pursue past workers' compensation judgments and will offer in detail the bad players, amount of judgment, and number of employees that did not have coverage or were under covered. We will continue to file county by county until we have cleaned up this backlog," said Costello.

Costello previously stated, "The Oklahoma Department of Labor has already identified a large number of employers who have just ignored the judgments and are going about business as usual. We will pursue these judgments county by county."