

SUPREME COURT OF OHIO

State ex rel. Village of Oakwood v. Industrial Commission of Ohio

132 Ohio St. 3d 406, 2012-Ohio-3209 (2012) · No. 2011-0060 · Decided July 18, 2012

SUMMARY

The Ohio Supreme Court held that, when more than one entity may have an employment relationship with an injured worker, the Industrial Commission may—but need not—apply the Lord/Fisher factors. The court deferred to the Commission’s determination that the Village of Oakwood, rather than Kokosing Construction Company, was the responsible employer for the police officer’s workers’ compensation claim.

CASE DETAILS

COURT	Supreme Court of Ohio
WRITING FOR THE COURT	O'Connor, C.J.; Pfeifer, J.; Lundberg Stratton, J.; O'Donnell, J.; Lanzinger, J.; Cupp, J.; McGee Brown, J.
JURISDICTION	Ohio
DECIDED	July 18, 2012
DOCKET	2011-0060
DISPOSITION	affirmed
PROCEDURAL POSTURE	Oakwood appealed as of right from the Franklin County Court of Appeals' denial of its complaint for a writ of mandamus challenging the Industrial Commission's determination that Kokosing, rather than Oakwood, was the proper employer for workers' compensation purposes.
STANDARD OF REVIEW	Whether the Industrial Commission abused its discretion; the court deferred to the commission's factual determinations and expertise when supported by evidence in the record.
PRECEDENTIAL VALUE	Published Ohio Supreme Court opinion; binding precedent in Ohio.
PARTIES	The State ex rel. Village of Oakwood v. Industrial Commission of Ohio, Kokosing Construction Co., Inc.

TOPICS

workers compensation

administrative law

judicial review of agency action

municipal law

PRACTICE AREAS

workers compensation

administrative law

municipal law

QUESTIONS PRESENTED

1. Whether the Industrial Commission abused its discretion by determining that Oakwood was the amenable employer without expressly applying the three Lord/Fisher factors.
2. Whether, when two entities may have an employment relationship with an injured worker, the Industrial Commission is required to apply the Lord/Fisher factors to determine the responsible employer.

HOLDINGS

1. When confronted with two potential employers, the Industrial Commission may, but is not required to, use any of the Lord/Fisher factors that it believes will assist its analysis; it may consider other relevant factors as necessary.
2. The Industrial Commission did not abuse its discretion by finding Oakwood to be the amenable employer.

KEY QUOTATIONS

“when confronted with two potential employers—may, but is not required to, use any of the Lord/Fisher factors that it believes will assist analysis.” (§ 13)

“If different considerations are necessary, however, the commission must have the discretion to use them.” (§ 13)

FACTUAL BACKGROUND

Craig Ali was an Oakwood police officer assigned to perform traffic-control duties at a highway-construction project overseen by Kokosing Construction. He wore his Oakwood police uniform and used an Oakwood police cruiser leased to Kokosing, while Kokosing paid him for the services. Ali was injured when the cruiser was struck by another vehicle, creating a dispute over whether Oakwood or Kokosing was his employer for workers' compensation purposes.

PROCEDURAL HISTORY

The Bureau of Workers' Compensation initially allowed Craig Ali's claim against Oakwood but later named Kokosing as the proper employer. An Industrial Commission staff hearing officer ultimately determined that Oakwood was the amenable employer. After the commission refused further administrative appeal, Oakwood sought mandamus in the Franklin County Court of Appeals, which denied the writ. The Supreme Court of Ohio affirmed.

DISPOSITION

affirmed

CASES CITED

- Lord v. Daugherty, 66 Ohio St. 2d 441, 423 N.E.2d 96 (1981)
- Fisher v. Mayfield, 49 Ohio St. 3d 275, 551 N.E.2d 1271 (1990)
- Cooper v. Dayton, 120 Ohio App. 3d 34, 696 N.E.2d 640 (1997)
- State ex rel. FedEx Ground Package Sys., Inc. v. Indus. Comm., 126 Ohio St. 3d 37, 2010-Ohio-2451, 930 N.E.2d 295, ¶ 27

OPINION

PER CURIAM.

[Cite as State ex rel. Oakwood v. Indus. Comm., 132 Ohio St.3d 406, 2012-Ohio-3209.] THE STATE EX REL. VILLAGE OF OAKWOOD, APPELLANT, v. INDUSTRIAL COMMISSION OF OHIO ET AL., APPELLEES. [Cite as State ex rel. Oakwood v. Indus. Comm., 132 Ohio St.3d 406, 2012-Ohio-3209.] Workers' compensation—Determination of responsible employer when more than one has an employment relation with the injured worker.

(No. 2011-0060—Submitted May 8, 2012—Decided July 18, 2012.) APPEAL from the Court of Appeals for Franklin County, No. 09AP-999, 190 Ohio App.3d 689, 2010-Ohio-5861. _____ Per Curiam. {¶ 1} In 2008, Craig Ali was a police officer for appellant, the village of Oakwood. That spring, his department assigned him to perform traffic-control duties on a highway-construction project overseen by appellee Kokosing Construction Company, Inc. Ali was injured while performing those duties.

We must determine which entity was Ali's employer for purposes of his workers' compensation claim. {¶ 2} It is undisputed that Kokosing generally used State Highway Patrol officers for traffic control. Kokosing, however, had been directed by Oakwood police officials to use Oakwood officers for traffic-control duties within village boundaries, and Ali was assigned to the project.

Ali wore his Oakwood police uniform and sat in an Oakwood police cruiser that Kokosing had leased from the village. Kokosing, not Oakwood, paid Ali for his services during this time. {¶ 3} Ali was injured when his cruiser was hit by another vehicle.

The Bureau of Workers' Compensation initially allowed the claim against Oakwood but issued a later order naming Kokosing as the proper employer. Kokosing SUPREME COURT OF OHIO objected, and the matter was set for hearing before appellee Industrial Commission of Ohio. {¶ 4} A district hearing officer found that Kokosing was Ali's employer at the time of injury: Injured Worker described being paid by Kokosing Construction via check with their name on it, assigned to his work by them, and directed as to his duties by them.

Although Injured Worker wore his Oakwood Village police officer uniform and sat in the Village cruiser, the Oakwood Village Law Director testified that Kokosing leased the vehicle for the duration of the Injured Worker's need of it. Examining the totality of the circumstances persuades

the Hearing Officer that Kokosing Construction Company, Inc. was the Injured Worker's employer on the date of injury on this claim. {¶ 5} A staff hearing officer reversed: [T]he correct employer herein is Oakwood Village and not Kokosing Construction.

Per the unrefuted testimony of Kokosing supervisor Mr. Schloss, Kokosing Construction was directed by Sergeant Biggam of the Oakwood Village Police Department to utilize Oakwood Village police officers for traffic control duties within the geographic boundaries of Oakwood Village and to not follow Kokosing's usual practice of using Ohio State Highway Patrol officers for such duties.

Sergeant Biggam identified claimant as an officer appropriate for such duty and arranged for claimant's use of an Oakwood Village police cruiser during his 2 January Term, 2012 activities relative to traffic control at the Kokosing Construction job site. Claimant wore his Oakwood Village police uniform and was at the site of the accident for purposes of maintaining traffic control, an activity not performed by Kokosing Construction.

Claimant would not have been engaged in traffic control functions on 05/23/2008 were he not an Oakwood Village police officer, in uniform and in a police cruiser, having been specifically authorized to engage in such activity by his usual employer, Sergeant Biggam/Oakwood Village. {¶ 6} After further administrative appeal was refused, Oakwood filed a complaint in mandamus in the Court of Appeals for Franklin County, alleging that the commission had abused its discretion in finding it to be the amenable employer.

Oakwood argued that the commission had not considered the factors listed in *Lord v. Daugherty*, 66 Ohio St.2d 441, 423 N.E.2d 96 (1981), rendering its analysis fatally deficient. The court, however, found no abuse of discretion and denied the writ, prompting Oakwood's appeal to this court as of right. {¶ 7} Our analysis centers on two decisions—*Lord and Fisher v. Mayfield*, 49 Ohio St.3d 275, 551 N.E.2d 1271 (1990).

These cases, as part of a "totality of the circumstances" analysis, identified three factors to consider when determining whether an injury occurred in the course of a claimant's employment—an issue distinct from that at bar. Despite this distinction, Oakwood challenges the commission's analysis because of the commission's failure to consider the Lord/Fisher factors.

We must determine whether this was an abuse of discretion. {¶ 8} The claimants in *Lord and Fisher* were injured while deviating from their normal workday routine, which raised a pivotal question: Did the 3 SUPREME COURT OF OHIO injury occur in the course of and arise from employment?

The answer, according to *Lord*, depends upon the "totality of the facts and circumstances" regarding the accident. Such circumstances include: (1) the proximity of the scene of the accident to the place of employment; (2) the degree of control the employer had over the scene of the

accident; and (3) the benefit the employer received from the injured employee's presence at the scene of the accident.

Lord, 66 Ohio St.2d at 444, 423 N.E.2d 96. {¶ 9} Fisher affirmed the Lord test. There, a teacher who also oversaw the district's flower fund was hurt when she stopped at another school to collect donations. Again, the issue was whether her injuries arose from her employment, and after applying the Lord factors, we held that it was.

We cautioned, however, that workers' compensation cases are, to a large extent, very fact specific. As such, no one test or analysis can be said to apply to each and every factual possibility. Nor can only one factor be considered controlling. Rather, a flexible and analytically sound approach to these cases is preferable. Otherwise, the application of hard and fast rules can lead to unsound and unfair results.

Fisher, 49 Ohio St.3d at 280, 551 N.E.2d 1271. {¶ 10} These observations support appellees' assertion that consideration of the Lord/Fisher factors should not be mandatory, as does the experience of the Second District Court of Appeals in attempting to apply Lord and Fisher to an 4 January Term, 2012 issue like that currently before us. *Cooper v. Dayton*, 120 Ohio App.3d 34, 696 N.E.2d 640 (1997), involved a Dayton policeman who moonlighted as an undercover loss-prevention specialist at a local grocery.

During one of his grocery shifts, he confronted a shoplifter. When the suspect tried to flee, Cooper pulled out his service revolver and badge, and identified himself as a Dayton police officer. Cooper was injured in the encounter. {¶ 11} As here, the issue was not whether the injury happened in the course of employment; it clearly did.

The question instead was, employment with whom—the city or the grocery? To answer this, the court of appeals turned to Lord and Fisher. It acknowledged at the outset that the two cases involved a different issue, but felt that they nevertheless “provide[d] a viable analytical framework to resolve the present dispute.” *Id.* at 42.

The court quickly admitted, however, that Lord's three-pronged test proved “somewhat problematic when applied to the facts” before it. *Id.* at 44. {¶ 12} The difficulty was that applying a Lord/Fisher factor to each of two employers can produce the same answer.

For example, because the injury occurred in the store's parking lot, which was located within Dayton's boundaries, proximity could be attributed to either potential employer. The same was true of control, with the court finding that “Groceryland retained day-to-day control of its own parking lot * * *, [while] the city police department also retain[ed] control of the property within the city limits for law-enforcement purposes.” 120 Ohio App.3d at 47, 696 N.E.2d 640.

The third factor—benefit to the employer—was also not helpful, because both employers benefited from Cooper’s presence. Ultimately, the court moved beyond Lord/Fisher and concluded that when Cooper pulled his badge and revolver and identified himself as a Dayton police officer, he was no longer acting as a store security guard but as a Dayton policeman. 5 SUPREME COURT OF OHIO {¶ 13} Consistent with Fisher and its support of a flexible approach to certain complex workers’ compensation matters, we hold that the commission— when confronted with two potential employers—may, but is not required to, use any of the Lord/Fisher factors that it believes will assist analysis.

If different considerations are necessary, however, the commission must have the discretion to use them. Therefore, we find that it did not abuse its discretion by not directly discussing the three enumerated Lord/Fisher factors. {¶ 14} The staff hearing officer examined the totality of what he considered to be the relevant circumstances in this case and made determinations supported by evidence in the record.

We have “consistently recognized and generally deferred to the commission’s expertise in areas falling under the agency’s jurisdiction.” State ex rel. FedEx Ground Package Sys., Inc. v. Indus. Comm., 126 Ohio St.3d 37, 2010-Ohio-2451, 930 N.E.2d 295, ¶ 27.

Accordingly, we defer to the commission’s expertise in finding Oakwood to be the amenable employer. {¶ 15} The judgment of the court of appeals is affirmed. Judgment affirmed. O’CONNOR, C.J., and PFEIFER, LUNDBERG STRATTON, O’DONNELL, LANZINGER, CUPP, and MCGEE BROWN, JJ., concur. _____ Stephen M. Klonowski, Law Director, and Christopher R. Fortunato, for appellant.

Michael DeWine, Attorney General, and Derrick L. Knapp, Assistant Attorney General, for appellee Industrial Commission of Ohio. Elizabeth Krieder Wright, for appellee Kokosing Construction Co., Inc. _____ 6