

Workers' Compensation Insurance

Requirements for workers' compensation coverage of agricultural employees vary by state. The workers' compensation system is a mechanism for sharing costs of industrial injuries and illness. It provides two-way protection on a no-fault basis. For workers, it promotes job health and safety and helps soften the financial consequences of an industrial injury or disease. For employers, it absorbs liability and removes the threat of potentially large damage awards.

In most states, workers' compensation insurance premiums depend on (1) rate group (usually industry, as classified by commodity), (2) claims experience in previous years, and (3) total payroll amount. State agency publications that describe the program and the responsibilities and rights of both employers and employees are available at *AgHelpWanted.org*.

Health Care Insurance

Employers have various options for helping their employees stay healthy and guard against the financial hardships of obtaining care for illness. Large employers offer health benefits to workers more commonly than small companies. The 2000 Small Employer Health Benefits Survey examined issues related to small employers' (between 2 and 50 workers) decisions about whether to offer health care benefits. While small employers report cost as the primary reason they do not offer health benefits, many other factors contribute to their lower coverage rates. Small employers often are not aware of the importance of this benefit to employees, do not understand tax code incentives to offer benefits in general, and do not understand how insurance laws have addressed the accessibility and affordability of health benefits.

The survey found that 57 percent of small employers did not know that they could deduct 100 percent of their health insurance premiums. More than 60 percent of the respondents did not know that insurers may not deny health insurance coverage to small employers even when the health status of their workers is poor. Many small employers that do not offer health benefits have moved toward doing so. Twelve percent said they are either extremely or very likely to start offering health benefits in the next two years, and another 17 percent that they are somewhat likely. Two-thirds of small business owners said they would seriously consider offering health benefits if the government subsidized premium costs. Almost one-half said that they would consider it if insurance costs fell by as little as 10 percent.

Farm Labor Housing

Federal, state, and local laws regulate the operation of farm labor housing. The Migrant and Seasonal Worker Protection Act requires that housing occupied by migrant agricultural workers meet applicable local, state, and federal health and safety standards. Federal rules for labor camps are also of concern to the