## SECOND REGULAR SESSION

## **HOUSE BILL NO. 1550**

## 92ND GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVES BURNETT (Sponsor) AND LeVOTA (Co-sponsor).

Read 1st time February 23, 2004, and copies ordered printed.

STEPHEN S. DAVIS, Chief Clerk

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## **AN ACT**

To repeal section 287.090, RSMo, and to enact in lieu thereof one new section relating to exemptions from the workers' compensation law.

Be it enacted by the General Assembly of the state of Missouri, as follows:

Section A. Section 287.090, RSMo, is repealed and one new section enacted in lieu thereof, to be known as section 287.090, to read as follows:

287.090. 1. This chapter shall not apply to:

- 2 (1) Employment of farm labor, domestic servants in a private home, including family 3 chauffeurs, or occasional labor performed for and related to a private household;
  - (2) [Qualified real estate agents and direct sellers as those terms are defined in Section 3508 of Title 26 United States Code;
  - (3)] Employment where the person employed is an inmate confined in a state prison, penitentiary or county or municipal jail, or a patient or resident in a state mental health facility, and the labor or services of such inmate, patient, or resident are exclusively on behalf of the state, county or municipality having custody of said inmate, patient, or resident. Nothing in this subdivision is intended to exempt employment where the inmate, patient or resident was hired by a state, county or municipal government agency after direct competition with persons who are not inmates, patients or residents and the compensation for the position of employment is not contingent upon or affected by the worker's status as an inmate, patient or resident;
- [(4)] (3) Volunteers of a tax-exempt organization which operates under the standards of Section 501(c)(3) of the federal Internal Revenue Code, where such volunteers are not paid wages, but provide services purely on a charitable and voluntary basis;

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[(5)] (4) Persons providing services as adjudicators, sports officials, or contest workers for interscholastic activities programs or similar amateur youth programs who are not otherwise employed by the sponsoring school, association of schools or nonprofit tax-exempt organization sponsoring the amateur youth programs.

- 2. Any employer exempted from this chapter as to the employer or as to any class of employees of the employer [pursuant to the provisions of subdivision (3) of subsection 1 of section 287.030 or pursuant to subsection 1 of this section] may elect coverage as to the employer or as to the class of employees of that employer pursuant to this chapter by purchasing and accepting a valid workers' compensation insurance policy or endorsement, or by written notice to the group self-insurer of which the employer is a member. The election shall take effect on the effective date of the workers' compensation insurance policy or endorsement, or by written notice to the group self-insurer of which the employer is a member, and continue while such policy or endorsement remains in effect or until further written notice to the group self-insurer of which the employer is a member. Any such exempt employer or employer with an exempt class of employees may withdraw such election by the cancellation or nonrenewal of the workers' compensation insurance policy or endorsement, or by written notice to the group self-insurer of which the employer is a member. In the event the employer is electing out of coverage as to the employer, the cancellation shall take effect on the later date of the cancellation of the policy or the filing of notice pursuant to subsection 3 of this section.
- 3. Any insurance company authorized to write insurance under the provisions of this chapter in this state shall file with the division a memorandum on a form prescribed by the division of any workers' compensation policy issued to any employer and of any renewal or cancellation thereof. Any such insurance company shall also provide such detailed claim and financial information to the division as the division may require. As part of the process to remain authorized to write insurance under the provisions of this chapter, the insurer shall maintain a physical office within this state for the purpose of processing and adjusting all workers' compensation claims for benefits under this chapter. Such claims shall be adjusted by a person in this state. Such person is required to determine entitlement to benefits, authorize payment of benefits, manage the claim, and have authority to settle the claim. Use of a post office box address in Missouri does not constitute maintaining an office in this state.
- 4. The mandatory coverage sections of this chapter shall not apply to the employment of any member of a family owning a family farm corporation as defined in section 350.010, RSMo, or to the employment of any salaried officer of a family farm corporation organized pursuant to the laws of this state, but such family members and officers of such family farm corporations may be covered under a policy of workers' compensation insurance if approved by

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a resolution of the board of directors. Nothing in this subsection shall be construed to apply to
any other type of corporation other than a family farm corporation.

[5. A corporation may withdraw from the provisions of this chapter, when there are no more than two owners of the corporation who are also the only employees of the corporation, by filing with the division notice of election to be withdrawn. The election shall take effect and continue from the date of filing with the division by the corporation of the notice of withdrawal from liability under this chapter. Any corporation making such an election may withdraw its election by filing with the division a notice to withdraw the election, which shall take effect thirty days after the date of the filing, or at such later date as may be specified in the notice of withdrawal.]