

SECOND REGULAR SESSION  
[TRULY AGREED TO AND FINALLY PASSED]  
CONFERENCE COMMITTEE SUBSTITUTE FOR

# SENATE BILL NO. 700

98TH GENERAL ASSEMBLY

2016

4619S.02T

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## AN ACT

To repeal sections 287.090, 287.957, and 287.975, RSMo, and to enact in lieu thereof four new sections relating to workers' compensation.

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

Section A. Sections 287.090, 287.957, and 287.975, RSMo, are repealed  
2 and four new sections enacted in lieu thereof, to be known as sections 287.090,  
3 287.245, 287.957, and 287.975, 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,  
3 including family chauffeurs, or occasional labor performed for and related to a  
4 private household;

5 (2) Qualified real estate agents and direct sellers as those terms are  
6 defined in Section 3508 of Title 26 United States Code;

7 (3) Employment where the person employed is an inmate confined in a  
8 state prison, penitentiary or county or municipal jail, or a patient or resident in  
9 a state mental health facility, and the labor or services of such inmate, patient,  
10 or resident are exclusively on behalf of the state, county or municipality having  
11 custody of said inmate, patient, or resident. Nothing in this subdivision is  
12 intended to exempt employment where the inmate, patient or resident was hired  
13 by a state, county or municipal government agency after direct competition with  
14 persons who are not inmates, patients or residents and the compensation for the  
15 position of employment is not contingent upon or affected by the worker's status  
16 as an inmate, patient or resident;

17 (4) Except as provided in section 287.243, volunteers of a tax-exempt

**EXPLANATION—Matter enclosed in bold-faced brackets [thus] in this bill is not enacted and is intended to be omitted in the law.**

18 organization which operates under the standards of Section 501(c)(3) or Section  
19 **501(c)(19)** of the federal Internal Revenue Code, where such volunteers are not  
20 paid wages, but provide services purely on a charitable and voluntary basis;

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

25 2. Any employer exempted from this chapter as to the employer or as to  
26 any class of employees of the employer pursuant to the provisions of subdivision  
27 (3) of subsection 1 of section 287.030 or pursuant to subsection 1 of this section  
28 may elect coverage as to the employer or as to the class of employees of that  
29 employer pursuant to this chapter by purchasing and accepting a valid workers'  
30 compensation insurance policy or endorsement, or by written notice to the group  
31 self-insurer of which the employer is a member. The election shall take effect on  
32 the effective date of the workers' compensation insurance policy or endorsement,  
33 or by written notice to the group self-insurer of which the employer is a member,  
34 and continue while such policy or endorsement remains in effect or until further  
35 written notice to the group self-insurer of which the employer is a member. Any  
36 such exempt employer or employer with an exempt class of employees may  
37 withdraw such election by the cancellation or nonrenewal of the workers'  
38 compensation insurance policy or endorsement, or by written notice to the group  
39 self-insurer of which the employer is a member. In the event the employer is  
40 electing out of coverage as to the employer, the cancellation shall take effect on  
41 the later date of the cancellation of the policy or the filing of notice pursuant to  
42 subsection 3 of this section.

43 3. Any insurance company authorized to write insurance under the  
44 provisions of this chapter in this state shall file with the division a memorandum  
45 on a form prescribed by the division of any workers' compensation policy issued  
46 to any employer and of any renewal or cancellation thereof.

47 4. The mandatory coverage sections of this chapter shall not apply to the  
48 employment of any member of a family owning a family farm corporation as  
49 defined in section 350.010 or to the employment of any salaried officer of a family  
50 farm corporation organized pursuant to the laws of this state, but such family  
51 members and officers of such family farm corporations may be covered under a  
52 policy of workers' compensation insurance if approved by a resolution of the board  
53 of directors. Nothing in this subsection shall be construed to apply to any other

54 type of corporation other than a family farm corporation.

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

**287.245. 1. As used in this section, the following terms shall  
2 mean:**

**3           (1) "Association", volunteer fire protection associations as  
4 defined in section 320.300;**

**5           (2) "State fire marshal", the state fire marshal selected under the  
6 provisions of sections 320.200 to 320.270;**

**7           (3) "Volunteer firefighter", the same meaning as in section  
8 287.243.**

**9           2. Any association may apply to the state fire marshal for a grant  
10 for the purpose of funding such association's costs related to workers'  
11 compensation insurance premiums for volunteer firefighters.**

**12           3. Subject to appropriations, the state fire marshal shall disburse  
13 grants to each applying volunteer fire protection association according  
14 to the following schedule:**

**15           (1) Associations which had zero to five volunteer firefighters  
16 receive workers' compensation benefits from claims arising out of and  
17 in the course of the prevention or control of fire or the underwater  
18 recovery of drowning victims in the preceding calendar year shall be  
19 eligible for two thousand dollars in grant money;**

**20           (2) Associations which had six to ten volunteer firefighters  
21 receive workers' compensation benefits from claims arising out of and  
22 in the course of the prevention or control of fire or the underwater  
23 recovery of drowning victims in the preceding calendar year shall be  
24 eligible for one thousand five hundred dollars in grant money;**

**25           (3) Associations which had eleven to fifteen volunteer  
26 firefighters receive workers' compensation benefits from claims arising  
27 out of and in the course of the prevention or control of fire or the**

28 **underwater recovery of drowning victims in the preceding calendar**  
29 **year shall be eligible for one thousand dollars in grant money;**

30 **(4) Associations which had sixteen to twenty volunteer**  
31 **firefighters receive workers' compensation benefits from claims arising**  
32 **out of and in the course of the prevention or control of fire or the**  
33 **underwater recovery of drowning victims in the preceding calendar**  
34 **year shall be eligible for five hundred dollars in grant money.**

35 **4. Grant money disbursed under this section shall only be used**  
36 **for the purpose of paying for the workers' compensation insurance**  
37 **premiums of volunteer firefighters.**

287.957. The experience rating plan shall contain reasonable eligibility  
2 standards, provide adequate incentives for loss prevention, and shall provide for  
3 sufficient premium differentials so as to encourage safety. The uniform  
4 experience rating plan shall be the exclusive means of providing prospective  
5 premium adjustment based upon measurement of the loss-producing  
6 characteristics of an individual insured. An insurer may submit a rating plan or  
7 plans providing for retrospective premium adjustments based upon an insured's  
8 past experience. Such system shall provide for retrospective adjustment of an  
9 experience modification and premiums paid pursuant to such experience  
10 modification where a prior reserved claim produced an experience modification  
11 that varied by greater than fifty percent from the experience modification that  
12 would have been established based on the settlement amount of that claim. The  
13 rating plan shall prohibit an adjustment to the experience modification of an  
14 employer if the total medical cost does not exceed [one thousand dollars] **twenty**  
15 **percent of the current split point of primary and excess losses under**  
16 **the uniform experience rating plan**, and the employer pays all of the total  
17 medical costs and there is no lost time from the employment, other than the first  
18 three days or less of disability under subsection 1 of section 287.160, and no claim  
19 is filed. An employer opting to utilize this provision maintains an obligation to  
20 report the injury under subsection 1 of section 287.380.

287.975. 1. The advisory organization shall file with the director every  
2 pure premium rate, every manual of rating rules, every rating schedule and every  
3 change or amendment, or modification of any of the foregoing, proposed for use  
4 in this state no more than thirty days after it is distributed to members,  
5 subscribers or others.

6 2. The advisory organization which makes a uniform classification system

7 for use in setting rates in this state shall collect data for two years after January  
8 1, 1994, on the payroll differential between employers within the construction  
9 group of code classifications, including, but not limited to, payroll costs of the  
10 employer and number of hours worked by all employees of the employer engaged  
11 in construction work. Such data shall be transferred to the department of  
12 insurance, financial institutions and professional registration in a form prescribed  
13 by the director of the department of insurance, financial institutions and  
14 professional registration, and the department shall compile the data and develop  
15 a formula to equalize premium rates for employers within the construction group  
16 of code classifications based on such payroll differential within three years after  
17 the data is submitted by the advisory organization.

18 3. The formula to equalize premium rates for employers within the  
19 construction group of code classifications established under subsection 2 of this  
20 section shall be the formula in effect on January 1, 1999. This subsection shall  
21 become effective on January 1, 2014.

22 4. **For the purposes of calculating the premium credit under the**  
23 **Missouri contracting classification premium adjustment program, an**  
24 **employer within the construction group of code classifications may**  
25 **submit to the advisory organization the required payroll record**  
26 **information for the first, second, third, or fourth calendar quarter of**  
27 **the year prior to the workers' compensation policy beginning or**  
28 **renewal date, provided that the employer clearly indicates for which**  
29 **quarter the payroll information is being submitted.**

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