

FIRST REGULAR SESSION

HOUSE BILL NO. 579

91ST GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVES LUETKEMEYER, SECREST (Co-sponsors), MOORE,
BEARDEN, NORDWALD, FROELKER AND PHILLIPS.

Read 1st time January 30, 2001, and 1000 copies ordered printed.

TED WEDEL, Chief Clerk

0149L.02I

AN ACT

To amend chapter 287, RSMo, by adding thereto one new section relating to S corporations.

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

Section A. Chapter 287, RSMo, is amended by adding thereto one new section, to be
2 known as section 287.036, to read as follows:

**287.036. Notwithstanding any other provision of law to the contrary, beginning
2 January 1, 2002, those insurance companies providing coverage pursuant to this chapter,
3 to a corporation, as defined in article XI, section 1, of the Constitution of the State of
4 Missouri, which claims the status of an S corporation pursuant to the Internal Revenue
5 Code of the United States, subchapter S, shall also provide coverage for officers of the
6 corporation who are also employees of the corporation, and for other employees of the
7 corporation, consistent with section 287.030; except that the president, vice president,
8 secretary, and treasurer of the corporation may individually elect to reject such coverage
9 by providing a written notice of such rejection on a form developed by the department of
10 insurance to the corporation and its insurer; and except that when calculating the number
11 of employees of the corporation for purposes of subdivision (3) of subsection 1 of section
12 287.030, officers who have elected to reject coverage shall be deemed employees. Failure
13 to provide notice to the corporation shall not be grounds for any officer to claim that the
14 rejection of such coverage is not legally effective. An officer who elects to reject such
15 coverage shall not thereafter be entitled to workers' compensation benefits under the
16 policy, even if serving or working in the capacity of an employee of the corporation, at least
17 until such time as said officer provides the corporation and its insurer with a written notice
18 which rescinds the prior rejection of such coverage. The written notice which rescinds the
19 prior rejection of such coverage shall be on a form developed by the department of**

20 **insurance. Any rescission shall be prospective in nature and shall entitle the officer only**
21 **to such benefits which accrue on or after the date the notice of rescission form is received**
22 **by the insurance company.**