

HB 289 -- WORKERS' COMPENSATION

SPONSOR: Fitzpatrick

COMMITTEE ACTION: Voted "Do Pass" by the Special Committee on Employment Security by a vote of 10 to 3. Voted "Do Pass" by the Committee on Rules- Administrative Oversight by a vote of 10 to 4.

This bill authorizes, beginning January 1, 2018, a shareholder of an S corporation with at least 40% interest in the corporation to elect to reject coverage under the Workers' Compensation Law by providing written notice to the corporation and its insurer. The rejection of coverage may be rescinded, however the shareholder will only be entitled to benefits that accrued on or after the date the notice is received by the insurance company.

PROPOSERS: Supporters say that this bill will allow a shareholder in a subchapter S corporation the same ability as a limited liability company member to elect not to be covered by the workers' compensation law.

Testifying for the bill were Representative Fitzpatrick and Missouri Chamber of Commerce and Industry.

OPPOSERS: There was no testimony in opposition to the bill.

This bill is similar to HB 1867 (2016) and HB 148 (2015).