HOUSE BILL NO. HB0039

Workers compensation amendments.

Sponsored by: Joint Labor, Health and Social Services Interim Committee

A BILL

for

- 1 AN ACT relating to the Wyoming Worker's Compensation Act;
- 2 authorizing elective coverage for corporate officers,
- 3 limited liability company members, partners and sole
- 4 proprietors as specified; amending premium tax eligibility
- 5 and distribution criteria; and providing for an effective
- 6 date.

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8 Be It Enacted by the Legislature of the State of Wyoming:

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- 10 **Section 1.** W.S. 27-14-102(a)(vii)(B), 27-14-108(k),
- 11 27-14-201(q)(intro), by creating a new paragraph (iii) and
- 12 27-14-205(c) are amended to read:

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14 **27-14-102.** Definitions.

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16 (a) As used in this act:

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2 (vii) "Employee" means any person engaged in any 3 extrahazardous employment under any appointment, contract 4 of hire or apprenticeship, express or implied, oral or 5 written, and includes legally employed minors, aliens authorized to work by the United States department of 6 justice, office of citizenship and immigration services, 7 and aliens whom the employer reasonably believes, at the 8 9 date of hire and the date of injury based upon 10 documentation in the employer's possession, to be 11 authorized to work by the United States department of justice, office of citizenship and immigration services. 12 13 "Employee" does not include: 14 15 (B) A sole proprietor or a partner of a business partnership unless coverage is elected pursuant to 16 17 W.S. 27-14-108(k); 18 19 27-14-108. Extrahazardous industries, employments, 20 occupations; enumeration; definitions; optional coverage. 21 (k) Any corporation, or limited liability company, 22

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employing individuals covered pursuant to subsections (a) or (j) of this section partnership or sole proprietorship may elect to obtain coverage under this act for any or all

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1 of its corporate officers, or limited liability company 2 members, partners in a partnership or sole proprietor by 3 electing to cover any or all of its officers or members 4 and notifying the division in writing of its election upon 5 initial registration with the division, or thirty (30) days of 6 prior to the beginning a calendar quarter. Notwithstanding subsection (j) of this section, an employer 7 shall not withdraw coverage at any time during the 8 9 subsequent eight (8) calendar quarters. Application for termination of coverage under this subsection shall be 10 11 filed in writing with the division not less than thirty (30) days before any calendar quarter following the initial 12 13 eight (8) calendar quarters of coverage. Termination of 14 coverage shall be effective the first day of the month following the division's receipt of the notice of 15 16 termination.

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27-14-201. Rates and classifications; rate surcharge.

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20 (q) The division may, in accordance with its rules
21 and regulations, grant a premium credit to rates
22 established under this section in an amount not to exceed
23 fifty percent (50%) of the investment earnings after
24 inflation on reserves for the prior rate year. Of the

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total amount of premium credit distribution established by 1 2 the division, fifty percent (50%) shall be distributed to all employers who made premium payments to the fund in the 3 4 preceding year and fifty percent (50%) shall be distributed 5 to employers whose accident frequency and injury severity in the preceding year was less than that of the industry 6 7 classification under which the employer is classified. The 8 fifty percent (50%) distribution to all employers who made 9 premium payments shall be made on the basis of each 10 employer's annual premium payment as compared to total 11 premium payments made by all employers in the year preceding the year in which the premium credit was issued. 12 13 if it is determined by a qualified actuary retained by the 14 division that the fund can be expected to remain fully reserved, as defined in W.S. 27-14-201(e)(vii)(A), after 15 the premium credit is granted and implemented. If the 16 17 division determines to grant a premium credit, the percentage of credit allowed for the rate year shall be the 18 19 same for all employers. The following provisions shall 20 also apply to the premium credit program: 21 22 (iii) The premium credit, if granted, shall only 23 be given to those employers who paid premium during the

preceding year and whose accounts are current on all

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1 amounts owed under the act, including premiums, case cost 2 liability, interest and penalties. 3 27-14-205. State contributions; presumed 4 of pay 5 specified employees. 6 7 (c) For purposes of determining employer contributions under this act for officers of a corporation, 8 or members of a limited liability company, partners in a 9 partnership or a sole proprietor electing coverage under 10 11 W.S. 27-14-108(k), rates shall be applied for each officer 12 or member covered under this act against the statewide 13 average wage for the preceding twelve (12) month period as determined under W.S. 27-14-802(b). 14 15 16 Section 2. This act is effective July 1, 2008. 17

(END)

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