

HB 1836 with HCA 1 -- WORKERS' COMPENSATION

SPONSOR: McGaugh

COMMITTEE ACTION: Voted "Do Pass with Amendments" by the Standing Committee on Employment Security by a vote of 9 to 1.

Currently, only construction industry employers are deemed employers for workers' compensation if they have one or more employees; all other non-construction industry employers are not deemed employers for workers' compensation purposes unless they have five or more employees.

This bill adds any person or corporation in the construction industry who erects, demolishes, alters, or repairs improvements to the definition of "employer" as it relates to the Workers' Compensation Law.

This bill is the same as HCS HB 337 (2015).

HCA #1: This amendment establishes the Joint Committee on Missouri Division of Workers' Compensation with the purpose of investigating disparities directed at injured minorities, low-income workers, and workers under 35 years old.

PROPOSERS: Supporters say that this legislation is meant to put everyone on a level playing field, and small construction businesses are being discriminated against. This legislation makes it so that construction companies will not have to obtain workers' compensation policies unless they have five or more employees, just like employers in every other industry do now.

Testifying for the bill was Representative McGaugh.

OPPOSERS: Those who oppose the bill say that the most extraordinary impact of not carrying an insurance policy is that the employer will open himself or herself up to civil litigation, which will result in such employer being driven out of business. Someone will end up having to pay for the employee's injury if the employer does not have a policy and he or she cannot afford to pay for medical care out of his or her pocket.

Testifying against the bill were Missouri Association of Trial Attorneys; Missouri AFL-CIO; and the St. Louis Building Trades Council.