

FIRST REGULAR SESSION

[PERFECTED]

# HOUSE BILL NO. 289

## 99TH GENERAL ASSEMBLY

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INTRODUCED BY REPRESENTATIVE FITZPATRICK.

0959H.01P

D. ADAM CRUMBLISS, Chief Clerk

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### AN ACT

To repeal section 287.037, RSMo, and to enact in lieu thereof one new section relating to workers' compensation.

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

Section A. Section 287.037, RSMo, is repealed and one new section enacted in lieu thereof, to be known as section 287.037, to read as follows:

287.037. 1. Notwithstanding any other provision of law to the contrary, beginning January 1, 1997, those insurance companies providing coverage pursuant to chapter 287, to a limited liability company, as defined in section 347.015, shall provide coverage for the employees of the limited liability company who are not members of the limited liability company. Members of the limited liability company, as defined in section 347.015, shall also be provided coverage pursuant to chapter 287, but such members may individually elect to reject such coverage by providing a written notice of such rejection on a form developed by the department of insurance, financial institutions and professional registration to the limited liability company and its insurer. Failure to provide notice to the limited liability company shall not be grounds for any member to claim that the rejection of such coverage is not legally effective. A member who elects to reject such coverage shall not thereafter be entitled to workers' compensation benefits under the policy, even if serving or working in the capacity of an employee of the limited liability company, at least until such time as said member provides the limited liability company and its insurer with a written notice which rescinds the prior rejection of such coverage. The written notice which rescinds the prior rejection of such coverage shall

EXPLANATION — Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted from the law. Matter in **bold-face** type in the above bill is proposed language.

16 be on a form developed by the department of insurance, financial institutions and professional  
17 registration. Any rescission shall be prospective in nature and shall entitle the member only to  
18 such benefits which accrue on or after the date the notice of rescission form is received by the  
19 insurance company.

20 **2. Notwithstanding any other provision of law to the contrary, beginning January**  
21 **1, 2018, a shareholder of an S corporation, as defined in subsection 1 of section 143.471,**  
22 **with at least forty percent or greater interest in the S corporation, may individually elect**  
23 **to reject coverage under this chapter by providing a written notice of such rejection to the**  
24 **S corporation and its insurer. Failure to provide notice to the S corporation shall not be**  
25 **grounds for any shareholder to claim that the rejection of such coverage is not legally**  
26 **effective. A shareholder who elects to reject such coverage shall not thereafter be entitled**  
27 **to workers' compensation benefits under the policy, even if serving or working in the**  
28 **capacity of an employee of the S corporation, at least until such time as such shareholder**  
29 **provides the S corporation and its insurer with a written notice that rescinds the prior**  
30 **rejection of such coverage. Any rescission shall be prospective in nature and shall entitle**  
31 **the shareholder only to such benefits that accrue on or after the date the notice of**  
32 **rescission is received by the insurance company.**

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