

# H.B. 150

## WORKERS' COMPENSATION REVISIONS

Representative **Michael T. Morley** proposes the following amendments:

1. *Page 1, Lines 12 through 16:*

12 This bill:

13 { ~~clarifies language related to when an employer is an employer of a contractor,~~  
14 ~~subcontractor, or their employees for purposes of workers' compensation;~~ }

15 ▶ addresses when an employer of a contractor, subcontractor, or their employees is  
16 protected by the exclusive remedy of workers' compensation;

2. *Page 1, Lines 19 through 20:*

19 ▶ expands the persons with whom and purposes for which contracts may be made in a  
20 managed health care workers' compensation setting;

▶ addresses workplace accident and injury reduction programs;

3. *Page 5, Lines 145 through 151:*

145 (7) (a) If any person who is an employer procures any work to be done wholly or in  
146 part for the employer by a contractor over whose work the employer retains {~~a right of~~}  
147 supervision or control, and this work is a part or process in the trade or business of the  
148 employer, the contractor, all persons employed by the contractor, all subcontractors under the  
149 contractor, and all persons employed by any of these subcontractors, are considered employees  
150 of the original employer for the purposes of this chapter and Chapter 3, Utah Occupational  
151 Disease Act.

4. *Page 7, Lines 188 through 210:*

188 (f) (i) For purposes of this Subsection (7)(f), "eligible employer" means a person who:  
(A) is an employer; and  
(B) procures work to be done wholly or in part for the employer by a contractor, including:  
(I) all persons employed by the contractor;  
(II) all subcontractors under the contractor; and  
(III) all persons employed by any of these subcontractors.

(ii) Notwithstanding the other provisions in this Subsection (7), if the conditions of  
189 Subsection (7)(f) {~~(ii)~~} (iii) are met, {~~a contractor, all persons employed by the contractor, all~~  
190 ~~subcontractors under the contractor, and all persons employed by any of these subcontractors;~~

191 ~~are all considered employees of the original~~ } an eligible employer is considered an employer for  
purposes of Section 34A-2-105 of the contractor, subcontractor, and all persons employed by the  
contractor or subcontractor described in Subsection (7)(f)(i)(B) .

192 {~~(ii)~~} (iii) Subsection (7)(f) {~~(i)~~} (ii) applies if the eligible employer {~~who~~  
procures work to be done in whole  
193 or in part by the contractor, the subcontractor, and all persons employed by the contractor or  
194 subcontractor} ;

195 (A) under Subsection (7)(a) is liable for and pays workers' compensation benefits as an original  
employer under Subsection (7)(a)  
196 because the contractor or subcontractor fails to comply with Section 34A-2-201;

197 (B) (I) secures the payment of workers' compensation benefits for the contractor or  
198 subcontractor pursuant to Section 34A-2-201;

(II) procures work to be done that is part or process of the trade or business of the eligible employer;  
and  
(III) does the following with regards to a written workplace accident and injury reduction program that  
meets the requirements of Subsection 34A-2-111(3)(d):  
(Aa) adopts the workplace accident and injury reduction program;  
(Bb) posts the workplace accident and injury reduction program at the work site at which the eligible  
employer procures work; and  
(Cc) enforces the workplace accident and injury reduction program according to the terms of the  
workplace accident and injury reduction program; or

199 (C) (I) obtains and relies on:  
200 (Aa) a valid certification described in Subsection (7)(c)(i) or (7)(e)(i);  
201 (Bb) a workers' compensation policy described in Subsection (7)(c)(ii) or (7)(e)(ii); or  
202 (Cc) proof that a director or officer is excluded from coverage under Subsection  
203 34A-2-104(4);

204 (II) is liable under Subsection (7)(a) for the payment of workers' compensation benefits  
205 if the contractor or subcontractor fails to comply with Section 34A-2-201;

206 (III) procures work to be done that is part or process in the trade or business of the  
207 eligible employer; and

208 {~~(IV) exercises supervision or control over the means by which the work is~~  
209 accomplished through the implementation of a written workplace accident and injury reduction  
210 program meeting the standards of Subsection 34A-2-111(3).}  
(IV) does the following with regards to a written workplace accident and injury reduction program  
that meets the requirements of Subsection 34A-2-111(3)(d):  
(Aa) adopts the workplace accident and injury reduction program;  
(Bb) posts the workplace accident and injury reduction program at the work site at which the eligible  
employer procures work; and  
(Cc) enforces the workplace accident and injury reduction program according to the terms of the

workplace accident and injury reduction program.

5. Page 12, Lines 343 through 344:

343 implemented; and

344 ~~(f)~~ (vi) how safe work practices and rules will be enforced.

(d) For the purposes of a workplace accident and injury reduction program of an eligible employer described in Subsection 34A-2-103(7)(f), the workplace accident and injury reduction program shall:

(i) include the provisions described in Subsections (3)(b) and (c), except that the employer shall conduct a documented review of the workplace accident and injury reduction program at least semiannually delineating how procedures set forth in the workplace accident and injury reduction program are met; and

(ii) require a written agreement between the employer and all contractors and subcontractors on a project that states that:

(A) the employer has the right to control the manner or method by which the work is executed;

(B) if a contractor, subcontractor, or any employee of a contractor or subcontractor violates the workplace accident and injury reduction program, the employer maintains the right to:

(I) terminate the contract with the contractor or subcontractor;

(II) remove the contractor or subcontractor from the work site; or

(III) require that the contractor or subcontractor not permit an employee that violates the workplace accident and injury reduction program to work on the project for which the employer is procuring work; and

(C) the contractor or subcontractor shall provide safe and appropriate equipment subject to the right of the employer to:

(I) inspect on a regular basis the equipment of a contractor or subcontractor; and

(II) require that the contractor or subcontractor repair, replace, or remove equipment the employer determines not to be safe or appropriate.