

**Representative Roger E. Barrus** proposes the following substitute bill:

**HOME BUSINESS WORKERS' COMPENSATION**

**AMENDMENTS**

2011 GENERAL SESSION

STATE OF UTAH

**Chief Sponsor: Roger E. Barrus**

Senate Sponsor: Stephen H. Urquhart

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**LONG TITLE**

**General Description:**

This bill modifies the Workers' Compensation Act to exempt certain persons employed by a home business from workers' compensation coverage.

**Highlighted Provisions:**

This bill:

- ▶ defines terms;
- ▶ provides that a home business is not considered an employer of an owner's

**Ⓢ→ [immediate family member] spouse ←Ⓢ** for purposes of workers' compensation if certain conditions are met; and

- ▶ makes technical and conforming amendments.

**Money Appropriated in this Bill:**

None

**Other Special Clauses:**

None

**Utah Code Sections Affected:**

AMENDS:

**34A-2-103**, as last amended by Laws of Utah 2008, Chapters 250, 263, and 318

**1st Sub. H.B. 61**



88 immediate family.

89 (b) For purposes of this chapter and Chapter 3, Utah Occupational Disease Act, an  
90 agricultural employer is not considered an employer of a member of the employer's immediate  
91 family.

92 (c) For purposes of this chapter and Chapter 3, Utah Occupational Disease Act, an  
93 agricultural employer is not considered an employer of a nonimmediate family employee if:

94 (i) for the previous calendar year the agricultural employer's total annual payroll for all  
95 nonimmediate family employees was less than \$8,000; or

96 (ii) (A) for the previous calendar year the agricultural employer's total annual payroll  
97 for all nonimmediate family employees was equal to or greater than \$8,000 but less than  
98 \$50,000; and

99 (B) the agricultural employer maintains insurance that covers job-related injuries of the  
100 employer's nonimmediate family employees in at least the following amounts:

101 (I) \$300,000 liability insurance, as defined in Section 31A-1-301; and

102 (II) \$5,000 for health care benefits similar to benefits under health care insurance as  
103 defined in Section 31A-1-301.

104 (d) For purposes of this chapter and Chapter 3, Utah Occupational Disease Act, an  
105 agricultural employer is considered an employer of a nonimmediate family employee if:

106 (i) for the previous calendar year the agricultural employer's total annual payroll for all  
107 nonimmediate family employees is equal to or greater than \$50,000; or

108 (ii) (A) for the previous year the agricultural employer's total payroll for nonimmediate  
109 family employees was equal to or exceeds \$8,000 but is less than \$50,000; and

110 (B) the agricultural employer fails to maintain the insurance required under Subsection  
111 (5)(c)(ii)(B).

112 (6) (a) As used in this Subsection (6):

113 (i) "Hazardous work" means a hazardous occupation as defined in Section 34-23-103.

114 (ii) "Home business" means a business that is primarily conducted at the primary  
115 residence of an owner of the business.

116 ~~§→ [(iii) "Immediate family member" means an individual's:~~

117 ~~—— (A) spouse; or~~

118 ~~—— (B) child who lives in the individual's primary residence and who is claimed by the] ←§~~

119 ~~§~~→ [individual as a dependent under Section 151, Internal Revenue Code:

120 ~~(iv)] (iii) ←§~~ "Primary residence" means:

121 (A) a dwelling used by an individual as the home at which the individual regularly  
 122 resides, regardless of whether the dwelling is owned or rented, or is a single-family dwelling or  
 123 part of a multi-family dwelling;

124 (B) so much of the land surrounding the dwelling described in Subsection (6)(a) ~~§~~→ [(iv)]

124a (iii) ←§ (A)

125 as is reasonably necessary for use of the dwelling; and

126 (C) any improvement on the land described in Subsection (6)(a) ~~§~~→ [(iv)] (iii) ←§ (B).

127 (b) For purposes of this chapter and Chapter 3, Utah Occupational Disease Act, a home

128 business is not considered an employer of an individual who is:

129 (i) ~~§~~→ [an immediate family member] the spouse ←§ of an owner of the home business; and

130 (ii) employed by the home business to engage in business activities that:

131 (A) do not constitute hazardous work; and

132 (B) are primarily at the primary residence of the owner described in Subsection

133 (6)(b)(i).

134 ~~[(6)] (7)~~ An employer of ~~[agricultural laborers or domestic servants]~~ an agricultural

135 laborer, domestic servant, or home business owner's ~~§~~→ [immediate family member] spouse ←§ .

135a who is not

136 considered an employer under this chapter and Chapter 3, Utah Occupational Disease Act, may

137 come under this chapter and Chapter 3, Utah Occupational Disease Act, by complying with:

138 (a) this chapter and Chapter 3, Utah Occupational Disease Act; and

139 (b) the rules of the commission.

140 ~~[(7)] (8)~~ (a) (i) As used in this Subsection ~~[(7)] (8)~~(a), "employer" includes any of the

141 following persons that procures work to be done by a contractor notwithstanding whether or

142 not the person directly employs a person:

143 (A) a sole proprietorship;

144 (B) a corporation;

145 (C) a partnership;

146 (D) a limited liability company; or

147 (E) a person similar to one described in Subsections ~~[(7)] (8)~~(a)(i)(A) through (D).

148 (ii) If an employer procures any work to be done wholly or in part for the employer by

149 a contractor over whose work the employer retains supervision or control, and this work is a