

**BILL SUMMARY**  
1<sup>st</sup> Session of the 56<sup>th</sup> Legislature

<b>Bill No.:</b>	<b>HB 2242</b>
<b>Version:</b>	<b>CS</b>
<b>Request Number:</b>	<b>7185</b>
<b>Author:</b>	<b>Rep. Mulready</b>
<b>Date:</b>	<b>3/14/2017</b>
<b>Impact:</b>	<b>Workers' Compensation Commission (non-appropriated): cost savings of 1 FTE, possible impact to state agencies/municipalities when they utilize contract workers</b>

**Research Analysis**

The committee substitute for HB2242 relates to workers' compensation coverage for subcontracted work performed by a nonemployee. The measure provides that when no workers' compensation coverage has been secured other parties, the party for whom work is being performed will be liable for compensation to an injured employee of the business entity performing the work. The measure also strikes current law that allows certain individuals to secure a certification of noncoverage from the Workers' Compensation Commission. Instead, any individual or business entity that is exempt from the obtaining workers' compensation coverage may execute an Affidavit of Exempt Status. Execution of the affidavit establishes a rebuttable presumption that the executor is not an employee for the purpose of the Administrative Workers' Compensation Act and any individual or company possessing the affidavit is not to be responsible for workers' compensation claims made by the executor.

Prepared By: Quyen Do

**Fiscal Analysis**

The CS version of HB 2242 upon review by the Workers' Compensation Commission (a non-appropriated state agency) is determined to create a reduction of 1 FTE for the Commission as they have the equivalent of 1 FTE dedicated to the Certificates of Noncoverage, which would be replaced by the Affidavit of Exempt Status.

See other considerations below.

Prepared By: Kristina King

**Other Considerations**

This measure does apply to state agencies and municipalities when they utilize contract workers.