FIRST REGULAR SESSION [P E R F E C T E D]

SENATE SUBSTITUTE FOR

SENATE COMMITTEE SUBSTITUTE FOR

SENATE BILL NO. 66

99TH GENERAL ASSEMBLY

INTRODUCED BY SENATOR SCHATZ.

Offered March 6, 2017.

Senate Substitute adopted, March 6, 2017.

Taken up for Perfection March 6, 2017. Bill declared Perfected and Ordered Printed, as amended.

0250S.03P

ADRIANE D. CROUSE, Secretary.

AN ACT

To repeal sections 287.020, 287.149, 287.170, 287.243, and 287.390, RSMo, and to enact in lieu thereof five new sections relating to workers' compensation.

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

Section A. Sections 287.020, 287.149, 287.170, 287.243, and 287.390,

- 2 RSMo, are repealed and five new sections enacted in lieu thereof, to be known as
- 3 sections 287.020, 287.149, 287.170, 287.243, and 287.390, to read as follows:
 - 287.020. 1. The word "employee" as used in this chapter shall be
- 2 construed to mean every person in the service of any employer, as defined in this
- 3 chapter, under any contract of hire, express or implied, oral or written, or under
- 4 any appointment or election, including executive officers of corporations. Except
- 5 as otherwise provided in section 287.200, any reference to any employee who has
- 6 been injured shall, when the employee is dead, also include his dependents, and
- 7 other persons to whom compensation may be payable. The word "employee" shall
- 8 also include all minors who work for an employer, whether or not such minors are
- 9 employed in violation of law, and all such minors are hereby made of full age for
- 10 all purposes under, in connection with, or arising out of this chapter. The word
- 11 "employee" shall not include an individual who is the owner, as defined in
- 12 subdivision (42) of section 301.010, and operator of a motor vehicle which is
- 13 leased or contracted with a driver to a for-hire motor carrier operating within a

21

22

23 24

35 36

37

44

- commercial zone as defined in section 390.020 or 390.041, or operating under a certificate issued by the Missouri department of transportation or by the United States Department of Transportation, or any of its subagencies. The word 16 "employee" also shall not include any person performing services for board, 17 lodging, aid, or sustenance received from any religious, charitable, or relief 18 organization. 19
 - 2. The word "accident" as used in this chapter shall mean an unexpected traumatic event or unusual strain identifiable by time and place of occurrence and producing at the time objective symptoms of an injury caused by a specific event during a single work shift. An injury is not compensable because work was a triggering or precipitating factor.
- 25 3. (1) In this chapter the term "injury" is hereby defined to be an injury 26 which has arisen out of and in the course of employment. An injury by accident is compensable only if the accident was the prevailing factor in causing both the 27 28 resulting medical condition and disability. "The prevailing factor" is defined to be the primary factor, in relation to any other factor, causing both the resulting 29 30 medical condition and disability.
- 31 (2) An injury shall be deemed to arise out of and in the course of the 32 employment only if:
- 33 (a) It is reasonably apparent, upon consideration of all the circumstances, 34 that the accident is the prevailing factor in causing the injury; and
 - (b) It does not come from a hazard or risk unrelated to the employment to which workers would have been equally exposed outside of and unrelated to the employment in normal nonemployment life.
- 38 (3) An injury resulting directly or indirectly from idiopathic causes is not compensable. 39
- 40 (4) A cardiovascular, pulmonary, respiratory, or other disease, or cerebrovascular accident or myocardial infarction suffered by a worker is an 41 42 injury only if the accident is the prevailing factor in causing the resulting medical 43 condition.
- (5) The terms "injury" and "personal injuries" shall mean violence to the physical structure of the body and to the personal property which is used to make 46 up the physical structure of the body, such as artificial dentures, artificial limbs, 47 glass eyes, eyeglasses, and other prostheses which are placed in or on the body to replace the physical structure and such disease or infection as naturally results 48 49 therefrom. These terms shall in no case except as specifically provided in this

55

56

5758

59

60

61

62

63 64

65

66

- 50 chapter be construed to include occupational disease in any form, nor shall they 51 be construed to include any contagious or infectious disease contracted during the 52 course of the employment, nor shall they include death due to natural causes 53 occurring while the worker is at work.
 - 4. "Death" when mentioned as a basis for the right to compensation means only death resulting from such violence and its resultant effects occurring within three hundred weeks after the accident; except that in cases of occupational disease, the limitation of three hundred weeks shall not be applicable.
 - 5. Injuries sustained in company-owned or subsidized automobiles in accidents that occur while traveling from the employee's home to the employer's principal place of business or from the employer's principal place of business to the employee's home are not compensable. The extension of premises doctrine is abrogated to the extent it extends liability for accidents that occur on property not owned or controlled by the employer even if the accident occurs on customary, approved, permitted, usual or accepted routes used by the employee to get to and from their place of employment.
 - 6. The term "total disability" as used in this chapter shall mean inability to return to any employment and not merely mean inability to return to the employment in which the employee was engaged at the time of the accident.
- 7. As used in this chapter and all acts amendatory thereof, the term commission" shall hereafter be construed as meaning and referring exclusively to the labor and industrial relations commission of Missouri, and the term director" shall hereafter be construed as meaning the director of the department of insurance, financial institutions and professional registration of the state of Missouri or such agency of government as shall exercise the powers and duties now conferred and imposed upon the department of insurance, financial institutions and professional registration of the state of Missouri.
- 8. The term "division" as used in this chapter means the division of workers' compensation of the department of labor and industrial relations of the state of Missouri.
- 9. For the purposes of this chapter, the term "minor" means a person who has not attained the age of eighteen years; except that, for the purpose of computing the compensation provided for in this chapter, the provisions of section 287.250 shall control.
- 10. In applying the provisions of this chapter, it is the intent of the legislature to reject and abrogate earlier case law interpretations on the meaning

- 86 of or definition of "accident", "occupational disease", "arising out of", and "in the
- 87 course of the employment" to include, but not be limited to, holdings in: Bennett
- 88 v. Columbia Health Care and Rehabilitation, 80 S.W.3d 524 (Mo.App. W.D. 2002);
- 89 Kasl v. Bristol Care, Inc., 984 S.W.2d 852 (Mo.banc 1999); and Drewes v. TWA,
- 90 984 S.W.2d 512 (Mo.banc 1999) and all cases citing, interpreting, applying, or
- 91 following those cases.
- 92 11. For the purposes of this chapter, "occupational diseases due to toxic
- 93 exposure" shall only include the following: mesothelioma, asbestosis, berylliosis,
- 94 coal worker's pneumoconiosis, brochiolitis obliterans, silicosis, silicotuberculosis,
- 95 manganism, acute myelogenous leukemia, and myelodysplastic syndrome.
- 96 12. For the purposes of this chapter, "maximum medical
- 97 improvement" shall mean the point at which the injured employee's
- 98 medical condition has stabilized and can no longer reasonably improve,
- 99 as determined by the employer's physician within a reasonable degree
- 100 of medical certainty.
 - 287.149. 1. Temporary total disability or temporary partial disability
 - 2 benefits shall be paid throughout the rehabilitative process. **Temporary total**
 - 3 disability or temporary partial disability benefits shall continue until
 - 4 the employee reaches maximum medical improvement, unless such
 - 5 benefits are terminated by the employee's return to work or are
 - 6 terminated as otherwise specified in this chapter.
 - 7 2. The permanency of the employee's disability under sections 287.170 to
 - 8 287,200 shall not be established, determined or adjudicated while the employee
 - 9 is participating in rehabilitation services.
- 3. Refusal of the employee to accept rehabilitation services or submit to
- 11 a vocational rehabilitation assessment as deemed necessary by the employer shall
- 12 result in a fifty percent reduction in all disability payments to an employee,
- 13 including temporary partial disability benefits paid pursuant to section 287.180,
- 14 for each week of the period of refusal.
 - 287.170. 1. For temporary total disability the employer shall pay
 - 2 compensation [for not] until the employee reaches maximum medical
- 3 improvement unless such benefits are terminated by the employee's
- 4 return to work or are terminated as otherwise specified in this chapter,
- **but in no event** more than four hundred weeks during the continuance of such
- 6 disability at the weekly rate of compensation in effect under this section on the
- date of the injury for which compensation is being made. In the case of an

- injured employee who has reached maximum medical improvement but is unable to return to work, such employee shall receive temporary total disability benefits for up to but not to exceed four hundred weeks during the continuance of such disability at the weekly rate of compensation in effect under this section on the date of the injury for which compensation is being made. The amount of such compensation shall be computed as follows:
- (1) For all injuries occurring on or after September 28, 1983, but before September 28, 1986, the weekly compensation shall be an amount equal to sixty-six and two-thirds percent of the injured employee's average weekly earnings as of the date of the injury; provided that the weekly compensation paid under this subdivision shall not exceed an amount equal to seventy percent of the state average weekly wage, as such wage is determined by the division of employment security, as of the July first immediately preceding the date of injury;
- (2) For all injuries occurring on or after September 28, 1986, but before August 28, 1990, the weekly compensation shall be an amount equal to sixty-six and two-thirds percent of the injured employee's average weekly earnings as of the date of the injury; provided that the weekly compensation paid under this subdivision shall not exceed an amount equal to seventy-five percent of the state average weekly wage, as such wage is determined by the division of employment security, as of the July first immediately preceding the date of injury;
- (3) For all injuries occurring on or after August 28, 1990, but before August 28, 1991, the weekly compensation shall be an amount equal to sixty-six and two-thirds percent of the injured employee's average weekly earnings as of the date of the injury; provided that the weekly compensation paid under this subdivision shall not exceed an amount equal to one hundred percent of the state average weekly wage;
- (4) For all injuries occurring on or after August 28, 1991, the weekly compensation shall be an amount equal to sixty-six and two-thirds percent of the injured employee's average weekly earnings as of the date of the injury; provided that the weekly compensation paid under this subdivision shall not exceed an amount equal to one hundred five percent of the state average weekly wage;
- (5) For all injuries occurring on or after September 28, 1981, the weekly compensation shall in no event be less than forty dollars per week.
 - 2. Temporary total disability payments shall be made to the claimant by

1011

12

1314

- check or other negotiable instruments approved by the director which will not result in delay in payment and shall be forwarded directly to the claimant without intervention, or, when requested, to claimant's attorney if represented, except as provided in section 454.517, by any other party except by order of the division of workers' compensation.
- 3. An employee is disqualified from receiving temporary total disability during any period of time in which the claimant applies and receives unemployment compensation.
- 4. If the employee is terminated from post-injury employment based upon the employee's post-injury misconduct, neither temporary total disability nor temporary partial disability benefits under this section or section 287.180 are payable. As used in this section, the phrase "post-injury misconduct" shall not include absence from the workplace due to an injury unless the employee is capable of working with restrictions, as certified by a physician.
- 287.243. 1. This section shall be known and may be cited as the "Line of 2 Duty Compensation Act".
- 3 2. As used in this section, unless otherwise provided, the following words 4 shall mean:
- 5 (1) "Air ambulance pilot", a person certified as an air ambulance pilot in 6 accordance with sections 190.001 to 190.245 and corresponding regulations 7 applicable to air ambulances adopted by the department of health and senior 8 services, division of regulation and licensure, 19 CSR 30-40.005, et seq.;
 - (2) "Air ambulance registered professional nurse", a person licensed as a registered professional nurse in accordance with sections 335.011 to 335.096 and corresponding regulations adopted by the state board of nursing, 20 CSR 2200-4, et seq., who provides registered professional nursing services as a flight nurse in conjunction with an air ambulance program that is certified in accordance with sections 190.001 to 190.245 and the corresponding regulations applicable to such programs;
- (3) "Child", any natural, illegitimate, adopted, or posthumous child or stepchild of a deceased law enforcement officer, emergency medical technician, air ambulance pilot, air ambulance registered professional nurse, or firefighter who, at the time of the law enforcement officer's, emergency medical technician's, air ambulance pilot's, air ambulance registered professional nurse's, or firefighter's fatality is:

- 23 (a) Eighteen years of age or under;
- 24 (b) Over eighteen years of age and a student as defined in 25 section 8101 of title 5, United States Code; or
- (c) Over eighteen years of age and incapable of self-support
 because of physical or mental disability;
- (4) "Emergency medical technician", a person licensed in emergency medical care in accordance with standards prescribed by sections 190.001 to 190.245 and by rules adopted by the department of health and senior services under sections 190.001 to 190.245;
- [(4)] (5) "Firefighter", any person, including a volunteer firefighter, as employed by the state or a local governmental entity as an employer defined under subsection 1 of section 287.030, or otherwise serving as a member or officer of a fire department either for the purpose of the prevention or control of fire or the underwater recovery of drowning victims;
- 37 [(5)] (6) "Killed in the line of duty", when any person defined in this section loses his or her life when:
 - (a) Death is caused by an accident or the willful act of violence of another;
- (b) The law enforcement officer, emergency medical technician, air 40 ambulance pilot, air ambulance registered professional nurse, or firefighter is in 41 the active performance of his or her duties in his or her respective profession and 42 there is a relationship between the accident or commission of the act of violence and the performance of the duty, even if the individual is off duty; the law 44 enforcement officer, emergency medical technician, air ambulance pilot, air 45 ambulance registered professional nurse, or firefighter is traveling to or from 46 47 employment; or the law enforcement officer, emergency medical technician, air 48 ambulance pilot, air ambulance registered professional nurse, or firefighter is 49 taking any meal break or other break which takes place while that individual is 50 on duty;
 - (c) Death is the natural and probable consequence of the injury; and
- 52 (d) Death occurs within three hundred weeks from the date the injury was 53 received.
- The term excludes death resulting from the willful misconduct or intoxication of the law enforcement officer, emergency medical technician, air ambulance pilot, air ambulance registered professional nurse, or firefighter. The division of workers' compensation shall have the burden of proving such willful misconduct or intoxication;

79

80

8182

83

84

8586

90

- [(6)] (7) "Law enforcement officer", any person employed by the state or a local governmental entity as a police officer, peace officer certified under chapter 590, or serving as an auxiliary police officer or in some like position involving the enforcement of the law and protection of the public interest at the risk of that person's life;
- [(7)] (8) "Local governmental entity", includes counties, municipalities, townships, board or other political subdivision, cities under special charter, or under the commission form of government, fire protection districts, ambulance districts, and municipal corporations;
- [(8)] (9) "State", the state of Missouri and its departments, divisions, boards, bureaus, commissions, authorities, and colleges and universities;
- [(9)] (10) "Volunteer firefighter", a person having principal employment other than as a firefighter, but who is carried on the rolls of a regularly constituted fire department either for the purpose of the prevention or control of fire or the underwater recovery of drowning victims, the members of which are under the jurisdiction of the corporate authorities of a city, village, incorporated town, or fire protection district. Volunteer firefighter shall not mean an individual who volunteers assistance without being regularly enrolled as a firefighter.
 - 3. (1) A claim for compensation under this section shall be filed [by the estate of] by survivors of the deceased with the division of workers' compensation not later than one year from the date of death of a law enforcement officer, emergency medical technician, air ambulance pilot, air ambulance registered professional nurse, or firefighter. If a claim is made within one year of the date of death of a law enforcement officer, emergency medical technician, air ambulance pilot, air ambulance registered professional nurse, or firefighter killed in the line of duty, compensation shall be paid, if the division finds that the claimant is entitled to compensation under this section.
- 87 (2) The amount of compensation paid to the claimant shall be twenty-five 88 thousand dollars, subject to appropriation, for death occurring on or after June 89 19, 2009.
 - 4. Any compensation awarded under the provisions of this section shall be distributed as follows:
- 92 (1) If there is no child who survived the law enforcement officer, 93 emergency medical technician, air ambulance pilot, air ambulance 94 registered professional nurse, or firefighter, to the surviving spouse of

95 the law enforcement officer, emergency medical technician, air 96 ambulance pilot, air ambulance registered professional nurse, or 97 firefighter;

- (2) If there is at least one child who survived the law enforcement officer, emergency medical technician, air ambulance pilot, air ambulance registered professional nurse, or firefighter, and a surviving spouse of the law enforcement officer, emergency medical technician, air ambulance pilot, air ambulance registered professional nurse, or firefighter, fifty percent to the surviving child, or children, in equal shares, and fifty percent to the surviving spouse;
- (3) If there is no surviving spouse of the law enforcement officer, emergency medical technician, air ambulance pilot, air ambulance registered professional nurse, or firefighter, to the surviving child, or children, in equal shares;
- (4) If there is no surviving spouse of the law enforcement officer, emergency medical technician, air ambulance pilot, air ambulance registered professional nurse, or firefighter and no surviving child:
- (a) To the surviving individual, or individuals, in shares per the designation or, otherwise, in equal shares, designated by the law enforcement officer, emergency medical technician, air ambulance pilot, air ambulance registered professional nurse, or firefighter to receive benefits under this subsection in the most recently executed designation of beneficiary of the law enforcement officer, emergency medical technician, air ambulance pilot, air ambulance registered professional nurse, or firefighter on file at the time of death with the public safety agency, organization, or unit; or
- (b) If there is no individual qualifying under paragraph (a), to the surviving individual, or individuals, in equal shares, designated by the law enforcement officer, emergency medical technician, air ambulance pilot, air ambulance registered professional nurse, or firefighter to receive benefits under the most recently executed life insurance policy of the law enforcement officer, emergency medical technician, air ambulance pilot, air ambulance registered professional nurse, or firefighter on file at the time of death with the public safety agency, organization, or unit;
- 130 (5) If there is no individual qualifying under subdivisions (1), (2), 131 (3), or (4) of this subsection, to the surviving parent, or parents, in

- equal shares, of the law enforcement officer, emergency medical technician, air ambulance pilot, air ambulance registered professional nurse, or firefighter; or
- (6) If there is no individual qualifying under subdivisions (1), (2), (3), (4), or (5) of this subsection, to the surviving individual, or individuals, in equal shares, who would otherwise qualify under the definition of the term "child" but for his or her age.
- 5. Notwithstanding subsection 3 of this section, no compensation is payable under this section unless a claim is filed within the time specified under this section setting forth:
- 142 (1) The name, address, and title or designation of the position in which 143 the law enforcement officer, emergency medical technician, air ambulance pilot, 144 air ambulance registered professional nurse, or firefighter was serving at the time 145 of his or her death;
 - (2) The name and address of the claimant;
- 147 (3) A full, factual account of the circumstances resulting in or the course 148 of events causing the death at issue; and
- 149 (4) Such other information that is reasonably required by the division.
- When a claim is filed, the division of workers' compensation shall make an investigation for substantiation of matters set forth in the application.
- [5.] **6.** The compensation provided for under this section is in addition to, and not exclusive of, any pension rights, death benefits, or other compensation the claimant may otherwise be entitled to by law.
- 155 [6.] 7. Neither employers nor workers' compensation insurers shall have subrogation rights against any compensation awarded for claims under this 156 157 section. Such compensation shall not be assignable, shall be exempt from 158 attachment, garnishment, and execution, and shall not be subject to setoff or counterclaim, or be in any way liable for any debt, except that the division or 159 160 commission may allow as lien on the compensation, reasonable attorney's fees for services in connection with the proceedings for compensation if the services are 161 found to be necessary. Such fees are subject to regulation as set forth in section 162 163 287.260.
- [7.] 8. Any person seeking compensation under this section who is aggrieved by the decision of the division of workers' compensation regarding his or her compensation claim, may make application for a hearing as provided in section 287.450. The procedures applicable to the processing of such hearings

184

185186

187

188

189 190

191

192

- and determinations shall be those established by this chapter. Decisions of the administrative law judge under this section shall be binding, subject to review by either party under the provisions of section 287.480.
- 171 [8.] 9. Pursuant to section 23.253 of the Missouri sunset act:
- 172 (1) The provisions of the new program authorized under this section shall 173 automatically sunset six years after June 19, 2019, unless reauthorized by an act 174 of the general assembly; and
- 175 (2) If such program is reauthorized, the program authorized under this 176 section shall automatically sunset twelve years after the effective date of the 177 reauthorization of this section; and
- 178 (3) This section shall terminate on September first of the calendar year 179 immediately following the calendar year in which the program authorized under 180 this section is sunset.
- 181 [9.] 10. The provisions of this section, unless specified, shall not be subject to other provisions of this chapter.
 - [10.] 11. There is hereby created in the state treasury the "Line of Duty Compensation Fund", which shall consist of moneys appropriated to the fund and any voluntary contributions, gifts, or bequests to the fund. The state treasurer shall be custodian of the fund and shall approve disbursements from the fund in accordance with sections 30.170 and 30.180. Upon appropriation, money in the fund shall be used solely for paying claims under this section. Notwithstanding the provisions of section 33.080 to the contrary, any moneys remaining in the fund at the end of the biennium shall not revert to the credit of the general revenue fund. The state treasurer shall invest moneys in the fund in the same manner as other funds are invested. Any interest and moneys earned on such investments shall be credited to the fund.
- 194 [11.] 12. The division shall promulgate rules to administer this section, including but not limited to the appointment of claims to multiple claimants, 195 record retention, and procedures for information requests. Any rule or portion 196 197 of a rule, as that term is defined in section 536.010, that is created under the authority delegated in this section shall become effective only if it complies with 198 199 and is subject to all of the provisions of chapter 536 and, if applicable, section 200 536.028. This section and chapter 536 are nonseverable and if any of the powers 201 vested with the general assembly under chapter 536 to review, to delay the 202 effective date, or to disapprove and annul a rule are subsequently held 203 unconstitutional, then the grant of rulemaking authority and any rule proposed

1516

1718

19

20

2122

23

24

25

26

2728

29

30

31 32

33

34

35

204 or adopted after June 19, 2009, shall be invalid and void.

287.390. 1. Parties to claims hereunder may enter into voluntary agreements in settlement thereof, but no agreement by an employee or his or her dependents to waive his or her rights under this chapter shall be valid, nor shall any agreement of settlement or compromise of any dispute or claim for compensation under this chapter be valid until approved by an administrative law judge or the commission, nor shall an administrative law judge or the commission approve any settlement which is not in accordance with the rights of the parties as given in this chapter. No such agreement shall be valid unless made after seven days from the date of the injury or death. An administrative 9 law judge, or the commission, shall approve a settlement agreement as valid and 11 enforceable as long as the settlement is not the result of undue influence or fraud, 12 the employee fully understands his or her rights and benefits, and voluntarily agrees to accept the terms of the agreement. 13

- 2. A compromise settlement approved by an administrative law judge or the commission during the employee's lifetime shall extinguish and bar all claims for compensation for the employee's death if the settlement compromises a dispute on any question or issue other than the extent of disability or the rate of compensation.
- 3. Notwithstanding the provisions of section 287.190, an employee shall be afforded the option of receiving a compromise settlement as a one-time lump sum payment. A compromise settlement approved by an administrative law judge or the commission shall indicate the manner of payment chosen by the employee.
- 4. A minor dependent, by parent or conservator, may compromise disputes and may enter into a compromise settlement agreement, and upon approval by an administrative law judge or the commission the settlement agreement shall have the same force and effect as though the minor had been an adult. The payment of compensation by the employer in accordance with the settlement agreement shall discharge the employer from all further obligation.
- 5. In any claim under this chapter where an offer of settlement is made in writing and filed with the division by the employer, an employee is entitled to one hundred percent of the amount offered, provided such employee is not represented by counsel at the time the offer is tendered. Where such offer of settlement is not accepted and where additional proceedings occur with regard to the employee's claim, the employee is entitled to one hundred percent of the amount initially offered. Legal counsel representing the employee shall receive

36 reasonable fees for services rendered.

- 6. As used in this chapter, "amount in dispute" means the dollar amount in excess of the dollar amount offered or paid by the employer. An offer of settlement shall not be construed as an admission of liability.
- 7. (1) In the case of compromise settlements offered after a claimant has reached maximum medical improvement, upon receipt of a permanent disability rating from the employer's physician, a claimant shall have a period of twelve months from such date to acquire a rating from a second physician of his or her own choosing.
- 45 (2) Absent a finding of extenuating circumstances by an 46 administrative law judge or the commission, if after twelve months a 47 claimant has not acquired a rating from a second physician, any 48 compromise settlement entered into under this section shall be based 49 upon the initial rating.
- 50 (3) A finding of extenuating circumstances by an administrative 51 law judge or the commission shall require more than failure of the 52 claimant to timely obtain a rating from a second physician.
- 53 (4) The provisions of this subsection may be waived by the 54 employer with or without stating a cause.

/

