



MISSOURI SENATE

JEFFERSON CITY

John Loudon
7th Senate District

CAPITOL BUILDING, ROOM 422
JEFFERSON CITY, MO 65101

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**Contact: Mark Meuser
(573) 751-9763**

Missouri Senate Gives Final Approval to Senator John Loudon's Workers' Comp Bill

JEFFERSON CITY— A measure sponsored by State Sen. John Loudon, R-Ballwin, to revise Missouri's workers' compensation laws in an effort to lower insurance premiums for businesses received final passage today in the Senate.

Senate Bill 1 narrows the definition of a workplace injury by requiring that work be "the prevailing factor" rather than a "substantial factor" in the injury. Also, if an injury occurs while someone is traveling to or from work, he or she will not be compensated. Those who are injured while legally drunk on the job will not receive compensation either.

"This legislation is a step in the direction of making Missouri a business-friendly environment," Loudon said. "By decreasing the costs of insurance premiums for employers, companies won't be faced with having to downsize their payrolls, close up or move to another state."

The measure also says that anyone found guilty of false claims or other means of fraud in the workers' compensation system will be charged with a Class D felony, which is punishable by a maximum of four years in prison.

"Stricter penalties for system abuse will prevent individuals from undermining legitimate claims of honest workers with false ones of their own," Loudon said. "

"It not only will help lower costs for businesses, it will reaffirm the legitimacy of injuries that were suffered while on the job, employees who are hurt in the workplace will still be compensated for job-related injuries, but employers will be able to bear the costs of workers' compensation without

having to downsize, close or move to states where reform is already in place,” said Loudon, who chairs the Small Business, Insurance & Industrial Relations Committee, which has been conducting public hearings for the past two weeks. “The intent of these reforms is to stabilize the workers’ compensation program through a series of sensible checks and balances that will help weed out fraudulent claims and enable the continued payment of genuine claims.”

Loudon’s bill is just one piece of legislation that lawmakers in both chambers are advancing to reform workers’ compensation laws.

“Workers’ compensation reforms are a key part of putting the Show-Me State out in front of the pack in the race for higher revenues, increased market shares and more jobs,” Loudon said.

Approval from the House will send the bill to the governor’s desk, where it must be signed to become law.

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