# CHAPTER 1074

# WORKERS' COMPENSATION COVERAGE

S.F. 2104

**AN ACT** relating to coverage of proprietors, partners, and owner-operators of certain trucks under the workers' compensation law.

#### Be It Enacted by the General Assembly of the State of Iowa:

Section 1. NEW SECTION. 85.1A PROPRIETORS AND PARTNERS.

A proprietor or partner who is actively engaged in the proprietor's or partner's business on a substantially full-time basis, may elect to be covered by the workers' compensation law of this state by purchasing valid workers' compensation insurance specifically including the proprietor or partner. The election constitutes an assumption by the employer of workers' compensation liability for the proprietor or partner for the time period in which the insurance contract is in force. The proprietor or partner shall accept compensation in the manner provided by the workers' compensation law and the employer is relieved from any other liability for recovery of damages, or other compensation for injury.

Sec. 2. Section 85.36, Code 1985, is amended by adding the following new subsection:

<u>NEW SUBSECTION.</u> 11. If a wage, or method of calculating a wage, is used for the basis of the payment of a workers' compensation insurance premium for a proprietor, partner, or officer of a corporation, the wage or the method of calculating the wage is determinative for purposes of computing the proprietor's, partner's, or officer's weekly workers' compensation benefit rate.

Sec. 3. Section 85.61, subsection 2, unnumbered paragraph 1, Code Supplement 1985, is amended to read as follows:

"Worker" or "employee" means a person who has entered into the employment of, or works under contract of service, express or implied, or apprenticeship, for an employer;, every an executive officer elected or appointed and empowered under and in accordance with the charter and bylaws of a corporation, including a person holding an official position, or standing in a representative capacity of the employer;, and including officials an official elected or appointed by the state, counties or a county, school distriets district, area education agencies agency, municipal corporations corporation, or eities city under any form of government;, and including members a member of the Iowa highway safety patrol; and a conservation officers officer, and a proprietor or partner who elects to be covered pursuant to section 85.1A, except as hereinafter specified in this chapter.

Sec. 4. Section 85.61, subsection 3, paragraphs b and c, Code Supplement 1985, are amended to read as follows:

b. An independent contractor.

c. An owner-operator who as an individual or partner owns a vehicle licensed and registered as a truck, road tractor, or truck tractor by a governmental agency, is an independent contractor while performing services in the operation of the owner-operator's vehicle if all of the following conditions are substantially present:

(1) The owner-operator is responsible for the maintenance of the vehicle.

(2) <u>The owner-operator bears the principal burden of the vehicle's operating costs, including</u> fuel, repairs, supplies, collision insurance, and personal expenses for the operator while on the road.

(3) The owner-operator is responsible for supplying the necessary personnel to operate the vehicle, and the personnel are considered the owner-operator's employees.

(4) The owner-operator's compensation is based on factors related to the work performed, including a percentage of any schedule of rates or lawfully published tariff, and not on the basis of the hours or time expended.

(5) The owner-operator determines the details and means of performing the services, in conformance with regulatory requirements, operating procedures of the carrier, and specifications of the shipper.

(6) The owner-operator enters into a contract which specifies the relationship to be that of an independent contractor and not that of an employee and requires the owner-operator to provide and maintain a certificate of workers' compensation insurance with the carrier.

e <u>d</u>. Partners; directors <u>Directors</u> of any <u>a</u> corporation who are not at the same time employees of such the corporation; or directors, trustees, officers, or other managing officials of any <u>a</u> nonprofit corporation or association who are not at the same time full-time employees of such the nonprofit corporation or association.

e. Proprietors and partners who have not elected to be covered by the workers' compensation law of this state pursuant to section 85.1A.

Approved April 14, 1986

## **CHAPTER 1075**

## REVISIONS RELATING TO CORRECTIONS S.F. 2143

**AN ACT** relating to corrections; changing certain administrative provisions; limiting remedies in restitution matters; changing the applicability dates of certain provisions relating to inmate discipline and the availability of remedies; and providing penalties.

Be It Enacted by the General Assembly of the State of Iowa:

Section 1. Section 246.310, Code Supplement 1985, is amended to read as follows: 246.310 CANTEENS.

The director may maintain a canteen at any institution under the director's jurisdiction for the sale to persons confined in the institution of items such as toilet articles, candy, tobacco products, notions, and other sundries, and may provide the necessary facilities, equipment, personnel, and merchandise for the canteen. The director shall specify the items to be sold in the canteen. The department may establish and maintain a permanent operating fund for each canteen. The fund shall consist of the receipts from the sale of commodities at the canteen. Any money in the fund over the amount needed to do normal business transactions, and to reimburse any accounts which have subsidized the canteen fund, shall be considered profit. This money may remain in the canteen fund and be used for any purchase which the superintendent approves that will directly benefit the inmates during their incarceration.

Sec. 2. Section 246.706, unnumbered paragraph 1, Code Supplement 1985, is amended to read as follows:

A revolving farm fund is created in the state treasury in which the department shall deposit receipts from agricultural products, nursery stock, agricultural land rentals, and the sale of livestock. However, before any agricultural operation is phased out, the department which proposes to discontinue this operation shall notify the governor, chairpersons and ranking members of the house and senate appropriations committees, and cochairpersons and ranking members of the subcommittee in the senate and house of representatives which has handled the appropriation for this department in the past session of the legislature. Before the department sells farmland under the control of the department, the director shall notify the governor, chairpersons and ranking members of the house and senate appropriations committees,