

Date: 2-19-21

## **House Business and Labor Committee**

### **Bill: 1st Substitute HB 355 Workers' Compensation Revisions**

Sponsor: Rep. Hawkes

Floor Sponsor:

#### **UASD Position: Tracking**

This Bill: amends provisions of the Workers' Compensation Act.

Discussion: The original bill prevented someone who had received workers' compensation from suing other parties in the system to get a larger payout. The 1st substitute that was adopted by the committee on February 17<sup>th</sup> does not go that far. It treats a general contractor in the system as an employer, making it so the general contractor cannot be sued separately. Joe McCallister, general counsel for Hughes General Contractors, explained that right now workers' compensation works the same everywhere except on a construction site. An employee of a general contractor's only remedy for injury on the job is workers' compensation. However, an employee of a sub-contractor can sue the general contractor for compensation. The bill does not change anything with regard to product liability claims and it does not eliminate any direct fault claims. Mr. McCallister stated that no other state requires a general contractor to pay a claim, just that the general contractor ensures everyone on a work site is covered. The Associated General Contractors of Utah voiced support for this bill. Commissioner Jason Long, of the Utah Labor Commission, said the Commission is neutral on the bill. The Utah Association for Justice is neutral on the bill. The Rocky Mountain Gas Association supports this bill.

Yeas: 12

Nays: 0

N/V: 4

**Outcome: 1<sup>st</sup> Substitute HB 355 passed out of committee with a favorable recommendation**