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NCOIL ADOPTS MODEL ON TRUCKING/COURIER WORKERS' COMP RULES

Washington, DC, March 6, 2011— In an effort to remedy a growing concern over who should be covered by workers' comp in the trucking and courier industries, the National Conference of Insurance Legislators (NCOIL) today adopted a *Trucking and Messenger Courier Industries Workers' Compensation Insurance Model Act*. Insurance legislators took action on the model—which will set clear rules for who is an independent contractor and who is an employee—at the Spring Meeting here.

NCOIL President Rep. George Keiser (ND), who sponsored the model for discussion purposes, said:

We've heard that confusion over independent contractor and employee status is a problem in these unique industries and hope the model will eliminate uncertainty that causes major headaches for all. The model will help states ensure that businesses and state workers' compensation systems aren't unexpectedly burdened and that employees receive the benefits they deserve.

Developed over the course of a year and based on a 2009 Minnesota law, the bill would create a six-point statutory "test" related to equipment ownership, operating responsibilities and costs, compensation, control over the work performed, and a certification statement in order to determine actual independent contractor status. Under the model, people who fail to meet all six standards are considered employees and subject to workers' comp protections.

Interested parties who provided input on the model act include state insurance and workers' comp regulators and representatives of American Insurance Association (AIA), American Trucking Associations (ATA), Dart Transit Company, FedEx, International Brotherhood of Teamsters, Leadership Conference on Civil and Human Rights, Messenger Courier Association of America (MCAA), National Council on Compensation Insurance (NCCI), National Employment Law Project (NELP), Property Casualty Insurers Association of America (PCI), and United Parcel Service (UPS).

NCOIL efforts build upon a 2009 review of construction industry workers' comp issues. After extensive debate, legislators adopted a *Construction Industry Workers' Compensation Model Act* that seeks strong standards for employee coverage in that industry and strengthens penalties for bad actors.

The 2011 Spring Meeting took place from March 4 through 6 at the Hyatt Regency on Capitol Hill.

NCOIL is an organization of state legislators whose main area of public policy interest is insurance legislation and regulation. Most legislators active in NCOIL either chair or are members of the committees responsible for insurance legislation in their respective state houses across the country. More information is available at www.ncoil.org.

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