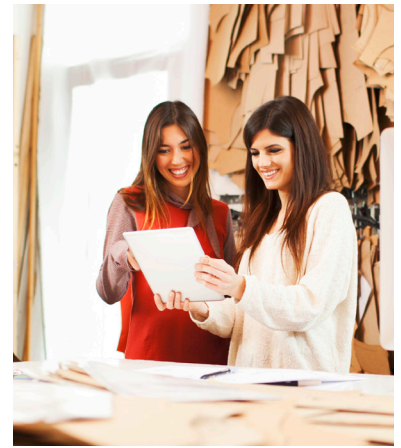


# SB 76 Workers' Compensation for Volunteers



Effective May 10, 2016, Senate Bill 76 becomes law and addresses the method for covering volunteers of private companies. This bill follows several other recent changes regarding volunteer fire fighters and volunteer search and rescue. An important component of SB 76 is that it is not required. A company that uses volunteers can choose to notify their carrier of their request to cover volunteers. Without this request, volunteers are not considered employees and are not subject to workers' compensation laws. Below are some key aspects to the bill.

- A company must notify their insurance carrier of their desire to cover volunteers. This election of coverage applies to all volunteers of the company.
- The employer must then notify volunteers that workers' compensation coverage will extend to the volunteers.
- Since coverage is provided there will be a premium assessed for volunteers. In order to determine premium for volunteers, payroll will be calculated based on the number of hours volunteered multiplied by Utah's minimum wage. The rates applied to the payroll will be the rates for the applicable work performed by the volunteer. An example of this calculation is provided.
- If the employer does not keep detailed records of volunteer hours, payroll will be calculated based on 30 hours per week per volunteer.
- Covered volunteers are covered for both their medical costs and lost time. Lost-time wages are calculated based on Utah's minimum wage.
- Because lost-time wages are covered as well, injuries to volunteers may have a greater impact on an employer's experience modifier.
- Payment of medical benefits and lost-time benefits to claimants does not prevent them from making claims and receiving benefits under their own disability policies.

## Premium Calculation Example for Volunteer Workers

This example is for volunteers performing work for a racing event. The volunteers worked a total of 190 hours.

190 hrs. X \$7.25 (current minimum wage) = **\$1,377.50 in wages**

.0235 (WCF standard rate for races) \* \$1,377.50 = **\$32.37**

---

**\$32.37 would represent the premium charged for the volunteer labor.**