GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1991

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HOUSE BILL 952

Short Title: Workers' Comp. for Farm Workers.	(Public)
Sponsors: Representatives Hackney; and Colton.	
Referred to: Judiciary I.	<u> </u>

April 19, 1991

1 A BILL TO BE ENTITLED 2 AN ACT TO BRING CERTAIN SEASONAL FARM WORKERS OF CERTAIN 3 **FARM** OPERATORS. AND **AGRICULTURAL** OWNERS. **FARM** 4 **ESTABLISHMENTS** WITHIN THE **PURVIEW** OF THE **WORKERS'** 5 COMPENSATION ACT.

The General Assembly of North Carolina enacts:

Section 1. G.S. 97-2 reads as rewritten:

"§ 97-2. Definitions.

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When used in this Article, unless the context otherwise requires –

(1) Employment. – The term 'employment' includes employment by the State and all political subdivisions thereof, and all public and quasi-public corporations therein and all private employments in which three or more employees are regularly employed in the same business or establishment or in which one or more employees are employed in activities which involve the use or presence of radiation, except agriculture and domestic services, unless 10 or more full-time nonseasonal agricultural workers are regularly employed by the employer domestic services and an individual sawmill and logging operator with less than 10 employees, who saws and logs less than 60 days in any six consecutive months and whose principal business is unrelated to sawmilling or logging. 'Employment' also includes agricultural employments when the farm owner, farm operator, or agricultural establishment pays aggregate wages of two thousand dollars (\$2,000)

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or more for agricultural labor to three or more agricultural workers in the current or preceding year.

Employee. - The term 'employee' means every person engaged in an employment under any appointment or contract of hire or apprenticeship, express or implied, oral or written, including aliens, and also minors, whether lawfully or unlawfully employed, but excluding persons whose employment is both casual and not in the course of the trade, business, profession or occupation of his employer, and as relating to those so employed by the State, the term 'employee' shall include all officers and employees of the State, including such as are elected by the people, or by the General Assembly, or appointed by the Governor to serve on a per diem, part-time or fee basis, either with or without the confirmation of the Senate; as relating to municipal corporations and political subdivisions of the State, the term 'employee' shall include all officers and employees thereof, including such as are elected by the people. The term 'employee' shall include members of the North Carolina national guard, except when called into the service of the United States, and members of the North Carolina State guard, and members of these organizations shall be entitled to compensation for injuries arising out of and in the course of the performance of their duties at drill, in camp, or on special duty under orders of the Governor. The term 'employee' shall include deputy sheriffs and all persons acting in the capacity of deputy sheriffs, whether appointed by the sheriff or by the governing body of the county and whether serving on a fee basis or on a salary basis, or whether deputy sheriffs serving upon a full-time basis or a part-time basis, and including deputy sheriffs appointed to serve in an emergency, but as to those so appointed, only during the continuation of the emergency. The sheriff shall furnish to the board of county commissioners a complete list of all deputy sheriffs named or appointed by him immediately after their appointment, and notify the board of commissioners of any changes made therein promptly after such changes are made. Any reference to an employee who has been injured shall, when the employee is dead, include also his legal representative, dependents, and other persons to whom compensation may be payable: Provided, further, that any employee as herein defined of a municipality, county, or of the State of North Carolina while engaged in the discharge of his official duty outside the jurisdictional or territorial limits of the municipality, county, or the State of North Carolina and while acting pursuant to authorization or instruction from any superior officer, shall have the same rights under this Article as if such duty or activity were performed within the territorial boundary limits of his employer.

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 Every executive officer elected or appointed and empowered in accordance with the charter and bylaws of a corporation shall be considered as an employee of such corporation under this Article.

Any such executive officer of a corporation may, notwithstanding any other provision of this Article, be exempt from the coverage of the corporation's insurance contract by such corporation specifically excluding such executive officer in such contract of insurance and the exclusion to remove such executive officer from the coverage shall continue for the period such contract of insurance is in effect, and during such period such executive officers thus exempted from the coverage of the insurance contract shall not be employees of such corporation under this Article.

All county agricultural extension service employees who do not receive official federal appointments as employees of the United States Department of Agriculture and who are field faculty members with professional rank as designated in the memorandum of understanding between the North Carolina Agricultural Extension Service, North Carolina State University, A & T State University and the boards of county commissioners shall be deemed to be employees of the State of North Carolina. All other county agricultural extension service employees paid from State or county funds shall be deemed to be employees of the county board of commissioners in the county in which the employee is employed for purposes of workers' compensation.

When a farm owner, farm operator, or agricultural establishment arranges for agricultural labor through a farm labor contractor, the agricultural workers in the farm labor contractor's crew shall be deemed employees of the farm owner, farm operator, or agricultural establishment for purposes of this Chapter, unless the farm labor contractor has workers' compensation coverage for such agricultural workers in full force and effect at the time the labor is performed.

The term employee shall also include senior members of the Civil Air Patrol, 18 years of age or older, and currently certified pursuant to G.S. 143B-491(a) when performing duties in the course and scope of a State requested and approved mission pursuant to Article 11 of Chapter 143B.

Employee shall not include any person performing voluntary service as a ski patrolman who receives no compensation for such services other than meals or lodging or the use of ski tow or ski lift facilities or any combination thereof.

Any sole proprietor or partner of a business whose employees are eligible for benefits under this Article may elect to be included as an employee under the workers' compensation coverage of such business if he is actively engaged in the operation of the business and if the

- insurer is notified of his election to be so included. Any such sole proprietor or partner shall, upon such election, be entitled to employee benefits and be subject to employee responsibilities prescribed in this Article.
 - (3) Employer. The term 'employer' means the State and all political subdivisions thereof, all public and quasi-public corporations therein, every person carrying on any employment and the legal representative of a deceased person or the receiver or trustee of any person. The board of commissioners of each county of the State, for the purposes of this law, shall be considered as 'employer' of all deputy sheriffs serving within such county, or persons serving or performing the duties of a deputy sheriff, whether such persons are appointed by the sheriff or by the board of commissioners and whether serving on a fee basis or salary basis. Each county is authorized to insure its compensation liability for deputy sheriffs to the same extent it is authorized to insure other compensation liability for employees thereof.
 - (4) Person. The term 'person' means individual, partnership, association or corporation.
 - (5) Average Weekly Wages. - 'Average weekly wages' shall mean the earnings of the injured employee in the employment in which he was working at the time of the injury during the period of 52 weeks immediately preceding the date of the injury, including the subsistence allowance paid to veteran trainees by the United States government, provided the amount of said allowance shall be reported monthly by said trainee to his employer, divided by 52; but if the injured employee lost more than seven consecutive calendar days at one or more times during such period, although not in the same week, then the earnings for the remainder of such 52 weeks shall be divided by the number of weeks remaining after the time so lost has been deducted. Where the employment prior to the injury extended over a period of less than 52 weeks, the method of dividing the earnings during that period by the number of weeks and parts thereof during which the employee earned wages shall be followed; provided, results fair and just to both parties will be thereby obtained. Where, by reason of a shortness of time during which the employee has been in the employment of his employer or the casual nature or terms of his employment, it is impractical to compute the average weekly wages as above defined, regard shall be had to the average weekly amount which during the 52 weeks previous to the injury was being earned by a person of the same grade and character employed in the same class of employment in the same locality or community.

But where for exceptional reasons the foregoing would be unfair, either to the employer or employee, such other method of computing

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average weekly wages may be resorted to as will most nearly approximate the amount which the injured employee would be earning were it not for the injury.

Wherever allowances of any character made to an employee in lieu of wages are specified part of the wage contract they shall be deemed a part of his earnings.

Where a minor employee, under the age of 18 years, sustains a permanent disability or dies leaving dependents surviving, the compensation payable for permanent disability or death shall be calculated, first, upon the average weekly wage paid to adult employees employed by the same employer at the time of the accident in a similar or like class of work which the injured minor employee would probably have been promoted to if not injured, or, second, upon a wage sufficient to yield the maximum weekly compensation benefit. Compensation for temporary total disability or for the death of a minor without dependents shall be computed upon the average weekly wage at the time of the accident, unless the total disability extends more than 52 weeks and then the compensation may be increased in proportion to his expected earnings.

In case of disabling injury or death to a volunteer fireman or member of an organized rescue squad or duly appointed and sworn member of an auxiliary police department organized pursuant to G.S. 160A-282 or senior members of the State Civil Air Patrol functioning under Article 11, Chapter 143B, under compensable circumstances, compensation payable shall be calculated upon the average weekly wage the volunteer fireman or member of an organized rescue squad or member of an auxiliary police department or senior member of the State Civil Air Patrol was earning in the employment wherein he principally earned his livelihood as of the date of injury. Provided, however, that the minimum compensation payable to a volunteer fireman, member of an organized rescue squad or sworn member of an auxiliary police department organized pursuant to G.S. 160A-282, or senior members of the State Civil Air Patrol shall be sixty-six and twothirds percent (66 2/3%) of the maximum weekly benefit established in G.S. 97-29.

(6) Injury. – 'Injury and personal injury' shall mean only injury by accident arising out of and in the course of the employment, and shall not include a disease in any form, except where it results naturally and unavoidably from the accident. With respect to back injuries, however, where injury to the back arises out of and in the course of the employment and is the direct result of a specific traumatic incident of the work assigned, 'injury by accident' shall be construed to include any disabling physical injury to the back arising out of and causally related to such incident. Injury shall include breakage or damage to

- eyeglasses, hearing aids, dentures, or other prosthetic devices which 1 2 function as part of the body; provided, however, that eyeglasses and 3 hearing aids will not be replaced, repaired, or otherwise compensated for unless injury to them is incidental to a compensable injury. 4 5 Carrier. – The term 'carrier' or 'insurer' means any person or fund **(7)** 6 authorized under G.S. 97-93 to insure under this Article, and includes 7 self-insurers. 8 (8) Commission. – The term 'Commission' means the North Carolina 9 Industrial Commission, to be created under the provisions of this 10 Article. (9) Disability. – The term 'disability' means incapacity because of injury to 11 12 earn the wages which the employee was receiving at the time of injury 13 in the same or any other employment. 14 (10)Death. – The term 'death' as a basis for a right to compensation means 15 only death resulting from an injury. 16 (11)Compensation. – The term 'compensation' means the money allowance pavable to an employee or to his dependents as provided for in this 17 18 Article, and includes funeral benefits provided herein. Child, Grandchild, Brother, Sister. - The term 'child' shall include a 19 (12)20 posthumous child, a child legally adopted prior to the injury of the 21 employee, and a stepchild or acknowledged illegitimate child dependent upon the deceased, but does not include married children 22 unless wholly dependent upon him. 'Grandchild' means a child as 23 24 above defined of a child as above defined. 'Brother' and 'sister' include stepbrothers and stepsisters, half brothers and half sisters, and brothers 25 and sisters by adoption, but does not include married brothers nor 26 27 married sisters unless wholly dependent on the employee. 'Child,' 28 'grandchild,' 'brother,' and 'sister' include only persons who at the time 29 of the death of the deceased employee are under 18 years of age. 30 Parent. – The term 'parent' includes stepparents and parents by (13)adoption, parents-in-law, and any person who for more than three 31 32 years prior to the death of the deceased employee stood in the place of 33 a parent to him, if dependent on the injured employee. Widow. - The term 'widow' includes only the decedent's wife living 34 (14)35 with or dependent for support upon him at the time of his death; or 36 living apart for justifiable cause or by reason of his desertion at such
 - Widower. The term 'widower' includes only the decedent's husband (15)living with or dependent for support upon her at the time of her death or living apart for justifiable cause or by reason of her desertion at such time.
 - Adoption. The term 'adoption' or 'adopted' means legal adoption (16)prior to the time of the injury.

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time.

- 1 Singular. The singular includes the plural and the masculine includes the feminine and neuter.
 - (18) Hernia. In all claims for compensation for hernia or rupture, resulting from injury by accident arising out of and in the course of the employee's employment, it must be definitely proven to the satisfaction of the Industrial Commission:
 - a. That there was an injury resulting in hernia or rupture.
 - b. That the hernia or rupture appeared suddenly.
 - c. Repealed by Session Laws 1987, c. 729, s. 2.
 - d. That the hernia or rupture immediately followed an accident. Provided, however, a hernia shall be compensable under this Article if it arises out of and in the course of the employment and is the direct result of a specific traumatic incident of the work assigned.
 - e. That the hernia or rupture did not exist prior to the accident for which compensation is claimed.

All hernia or rupture, inguinal, femoral or otherwise, so proven to be the result of an injury by accident arising out of and in the course of employment, shall be treated in a surgical manner by a radical operation. If death results from such operation, the death shall be considered as a result of the injury, and compensation paid in accordance with the provisions of G.S. 97-38. In nonfatal cases, if it is shown by special examination, as provided in G.S. 97-27, that the injured employee has a disability resulting after the operation, compensation for such disability shall be paid in accordance with the provisions of this Article.

In case the injured employee refuses to undergo the radical operation for the cure of said hernia or rupture, no compensation will be allowed during the time such refusal continues. If, however, it is shown that the employee has some chronic disease, or is otherwise in such physical condition that the Commission considers it unsafe for the employee to undergo said operation, the employee shall be paid compensation in accordance with the provisions of this Article."

Sec. 2. G.S. 97-13(b) reads as rewritten:

"(b) Casual Employment, Domestic Servants, Farm Laborers,—Federal Government, Employer of Less than Three Employees. – This Article shall not apply to casual employees, farm laborers when fewer than 10 full time nonseasonal farm laborers are regularly employed by the same employer,—federal government employees in North Carolina, and domestic servants, nor to employees of such persons, nor to any person, firm or private corporation that has regularly in service less than three employees in the same business within this State, except that any employer without regard to number of employees, including an employer of domestic servants, farm laborers, or one who previously had exempted himself, who has purchased workers' compensation insurance to cover his compensation liability shall be conclusively presumed during life of the

- 1 policy to have accepted the provisions of this Article from the effective date of said
- 2 policy and his employees shall be so bound unless waived as provided in this Article;
- 3 provided however, that this Article shall apply to all employers of one or more
- 4 employees who are employed in activities which involve the use or presence of
- 5 radiation."
- 6 Sec. 3. This act is effective upon ratification.