

~~Section 2. This Act shall become effective upon signature by the governor or, if not signed by the governor, upon expiration of the time for bills to become law without signature by the governor, as provided by Article III, Section 18 of the Constitution of Louisiana. If vetoed by the governor and subsequently approved by the legislature, this Act shall become effective on the day following such approval.~~

The original instrument and the following digest, which constitutes no part of the legislative instrument, were prepared by Senate Legislative Services. The keyword, summary, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

DIGEST

SB 358 Original

2026 Regular Session

Abraham

Present law defines "independent contractor".

Proposed law retains present law and defines "independent contractor occupational accident coverage" as a private insurance that pays benefits to an independent contractor who becomes injured, disabled, or dies due to a work-related accident.

Proposed law allows an independent contractor to obtain independent contractor occupational accident coverage that is approved by the commissioner of insurance.

Proposed law provides that independent contractor occupational accident coverage satisfies coverage requirements for independent contractors even if the principal is determined to be a statutory employer.

Proposed law provides that independent contractor occupational accident coverage provides:

- (1) Medical benefits of not less than \$1,000,000 per occurrence for medical treatment resulting from a work-related injury.
- (2) Temporary disability benefits consistent with scheduled injury guidelines if the worker is temporarily unable to work due to a work-related injury.
- (3) Accidental death and dismemberment benefits.
- (4) Certificate of coverage filed with La. Works.

Present law provides that when a principal undertakes to execute any work which is a part of his trade, business, or occupation and contracts with any contractor for the execution by or under the contractor of the whole or any part of the work undertaken by the principal, the principal, as a statutory employer, will be granted the exclusive remedy protections of present law relative to exclusiveness of rights and will be liable to pay to any employee employed in the execution of the work or to his dependent, any compensation under present law which he would have been liable to pay if the employee had been immediately employed by him.

Present law further provides that a statutory employer relationship exists whenever the services or work provided by the immediate employer is contemplated by or included in a contract between the principal and any person or entity other than the employee's immediate employer.

Proposed law retains present law and provides that a principal will not be deemed a statutory employer of a contractor or his employee when the following conditions are satisfied:

- (1) The contractor maintains a valid employer identification number or a registered business entity.
- (2) The contractor executes a written independent contractor agreement.
- (3) The contractor maintains active independent contractor occupational accident coverage meeting minimum statutory standards.
- (4) The contractor retains control over the means and methods of performing the contracted work.

Proposed law allows contractors in the construction industry, including specialty trades, commercial driver's license owner-operators, and equipment operators, may obtain a independent contractor occupational accident policy.

Effective upon signature of the governor or lapse of time for gubernatorial action.

(Amends R.S. 23:1021(7) and 1061(B); adds R.S. 23:1061(C) and (D))