WEST VIRGINIA LEGISLATURE
SECOND REGULAR SESSION, 2004

ENROLLED

House Bill No. 4672
(By Delegates Michael, Boggs, Warner, Browning
Cann, H. White and G. White)

Passed March 12, 2004

In Effect from Passage
AN ACT to amend and reenact §31B-12-1207 of the code of West Virginia, 1931, as amended, relating to calculation of workers’ compensation premiums for members of limited liability companies; and clarifying that workers’ compensation coverage is not required for a person who is a member solely as an investor.

Be it enacted by the legislature of West Virginia:

That §31B-12-1207 of the code of West Virginia, 1931, as amended, be amended and reenacted to read as follows:

ARTICLE 12. MISCELLANEOUS PROVISIONS.


(a) Notwithstanding any provision of subdivision (3), subsection (g), section one, article two, chapter twenty-three of this code to the contrary, all covered members of limited liability companies which are treated as partnerships for federal income tax purposes shall be subject to the calculation of premiums for workers’ compensation.
premium on the members as provided for partners in a partnership in section one-b, article two, chapter twenty-three of this code. Any limited liability company excluding any member from workers’ compensation coverage or computing premiums on such member as a partner prior to the effective date of this section is deemed to have made an effective election in accordance with the provisions of this section for all periods until such limited liability company modifies the election.

(b) Notwithstanding any provision of subdivision (3), subsection (g), section one, article two, chapter twenty-three of this code to the contrary, a person is not a member of a limited liability company for whom coverage is required under that section if the person is a member solely as an investor and does not participate in the direction, administration, or control of the company and its activities or investments unless that person is employed in the service of the company for the purpose of carrying on the industry, business, service or work in which it is engaged.
That Joint Committee on Enrolled Bills hereby certifies that the foregoing bill is correctly enrolled.

Chairman Senate Committee

Greg Butcher
Chairman House Committee

Originating in the House.

In effect from passage.

Clerk of the Senate

Clerk of the House of Delegates

President of the Senate

Speaker of the House of Delegates

The within bill is approved this the 5th day of April, 2004.

Governor