

MAINE WORKERS' COMPENSATION BOARD

INSTRUCTIONS FOR COMPLETING AN APPLICATION FOR WAIVER OF WORKERS' COMPENSATION INSURANCE

ALL APPLICANTS

WAIVERS ARE NOT VALID UNTIL APPROVED BY THE BOARD. All applicants must sign and date the waiver application and submit that form to the Board. You will receive a copy marked "Approved" with the effective date when/if your Waiver is accepted by the Board.

Applicant-Employees: Fill in the full name and complete address of the person applying to waive coverage. Use a separate form for each applicant.

Business-Employer: Fill in the complete name under which the company does business (DBA Name), complete address and phone number. Use a separate form for each business. Be sure to include the employer's federal tax ID number.

It is against the law to require an Owner, or the family member of an Owner, to WAIVE their right to workers' compensation coverage as a pre-condition to employment.

ANY PERSON MAY REVOKE OR RESCIND THAT PERSON'S WAIVER BY NOTIFYING THE WORKERS' COMPENSATION BOARD, THEIR EMPLOYER, AND THE INSURANCE CARRIER, IN WRITING, 30 DAYS PRIOR TO THE DATE THEY WISH TO RESCIND THE WAIVER.

DEFINITIONS

OWNER - An individual that owns a share or all of the business (includes SHAREHOLDERS, STOCKHOLDERS, SOLE PROPRIETORS, PARTNERS, and MEMBERS OF AN LLC).

SPOUSE - A person with whom the Owner lives and to whom he/she is legally married.

CHILD - The legal child of an Owner.

PARENT - The legal mother or father of an Owner.

DOMESTIC PARTNER - Is one of two (2) unmarried adults who are domiciled together under long-term arrangements that evidence a commitment to remain responsible indefinitely for each other's welfare.

SOLE PROPRIETORS

Sole proprietors do not need to carry a Workers' Compensation policy on themselves and do not have to file a waiver. Waivers are needed however for **parents, spouses, domestic partners, and children of a sole proprietor** who are requesting to waive workers' compensation insurance coverage.

Instructions: Check the box for SOLE PROPRIETOR at the top and check the box under section I. on the Waiver form. You must also circle the correct description for the person applying for the Waiver (Parent, Spouse, Domestic Partner, or Child).

Sole proprietors may choose to be covered by workers' compensation insurance by sending a written request to their insurance carrier. If a sole proprietor changes his/her mind, they must notify the insurance carrier in writing to revoke coverage.

PARTNERSHIPS

Owners of a partnership do not have to carry a Workers' Compensation policy on themselves. Waivers are needed for **parents, spouses, domestic partners, or children of a partner** who work for the partnership and want to waive workers' compensation insurance coverage.

Instructions: Check the box for PARTNERSHIP at the top and check the box under section I. on the Waiver form. You must also circle the correct description for the person applying for the Waiver (Parent, Spouse, Domestic Partner, or Child).

Owners of a partnership may choose to be covered by sending a written request to the insurance carrier. If a partner changes his/her mind, they must notify the insurance carrier, in writing, to revoke coverage.

LIMITED LIABILITY COMPANY

Owners or members of a limited liability company do not have to carry a workers' compensation policy on themselves. A waiver is required for the **parents, spouses, domestic partners or children of an owner or member** who wants to waive workers' compensation insurance coverage.

Instructions: Check the box for LIMITED LIABILITY COMPANY at the top and check the box under section I. on the Waiver form. You must also circle the correct description for the person applying for the Waiver (Parent, Spouse, Domestic Partner, or Child).

Owners or members of a limited liability company may elect coverage by providing a written request to the insurance carrier. If an owner or member changes his/her mind, they must notify the insurance carrier, in writing, to revoke coverage.

CORPORATIONS / S-CORPORATIONS

An Owner-Applicant must own 20 % or more of the outstanding voting shares/stock to be eligible to waive workers' compensation insurance coverage. When applying for a Waiver, a corporate Owner must indicate the **actual number of shares (not a percentage)** of both the voting stock issued by the corporation and the stock held by the Owner.

The parent, spouse, domestic partner, or child of a corporate Owner may **not** waive coverage unless the person under whom they are claiming the right to waive has also waived his/her right to coverage.

Instructions: Select CORPORATION/S-CORP at the top. Go to section II. of the Waiver form and check the box indicating the Waiver is for either the Owner or a relative of the Owner. If the Waiver is for a relative, you must circle the correct description for the person applying for the Waiver (Parent, Spouse, Domestic Partner, or Child).

EXECUTIVE OFFICERS: The executive officers of **private** corporations are considered employees under the Act however the executive officers of **charitable, religious, educational, or other nonprofit** corporations are not. Executive officers of private corporations must be covered under a workers' compensation policy unless that person is also an Owner and has applied for and received a Waiver from the Board. A **charitable, religious, educational, or other nonprofit** corporation may cause any of its executive officers to become an employee by securing workers' compensation insurance for that person.

PROFESSIONAL CORPORATIONS

An Owner-Applicant **must** own at least (1) share of the professional corporation to qualify to waive coverage for him or herself. The parent, spouse, domestic partner, or child of an Owner may **not** waive coverage unless the person under whom they are claiming the right to waive has also waived his/her right to coverage.

Instructions: Select PROFESSIONAL CORPORATION at the top. Go to section III on the Waiver form and check the box indicating the Waiver is for either the Owner or a relative of the Owner. If the Waiver is for a relative, you must circle the correct description for the person seeking the Waiver (Parent, Spouse, Domestic Partner, or Child).

Questions? Contact the Board's Coverage Division (287-7064) or check our website <http://www.state.me.us/wcb/>