Amend CSHB 7 as follows:

(1) In ARTICLE 1 of the bill, insert the following new SECTIONS, appropriately numbered, to read as follows:

SECTION 1.___. Sections 406.091(a) and (b), Labor Code, are amended to read as follows:

(a) The following employees are not subject to this subtitle:

(1) a person employed as a domestic worker or a casual worker engaged in employment incidental to a personal residence; or

(2) a person covered by a method of compensation established under federal law[, or

[(3) except as provided by Subchapter H, a farm or ranch employee].

(b) An employer may elect to obtain workers' compensation insurance coverage for an employee or classification of employees exempted from coverage under Subsection (a)(1) [σ r (a)(3)]. Obtaining that coverage constitutes acceptance by the employer of the rights and responsibilities imposed under this subtitle as of the effective date of the coverage for as long as the coverage remains in effect.

SECTION 1.___. Section 406.162, Labor Code, is amended to read as follows:

Sec. 406.162. <u>APPLICATION TO FARM AND RANCH EMPLOYEES</u> [SCOPE]. (a) This subtitle applies to an action to recover damages for personal injuries or death sustained by a farm or ranch employee, including an employee who is [+

[(1)] a migrant worker or [+
[(2)] a seasonal worker[+

[(A) employed on a truck farm, orchard, or vineyard;

[(B) employed by a person with a gross annual payroll for the preceding year in an amount not less than the greater of the required payroll for the year preceding that year, adjusted for inflation, or \$25,000; or

[(C) working for a farmer, ranch operator, or labor agent who employs a migrant worker and doing the same work at the same time and location as the migrant worker; or worker:

[(A) for years before 1991, employed by a person with a gross annual payroll for the preceding year of at least \$50,000; and

[(B) for 1991 and subsequent years, employed by a

person:

[(i) with a gross annual payroll in an amount required for coverage of seasonal workers under Subdivision (2)(B); or

[(ii) who employs three or more farm or ranch employees other than migrant or seasonal workers].

(b) [The comptroller shall prepare a consumer price index for this state and shall certify the applicable index factor to the commission before October 1 of each year. The commission shall adjust the gross annual payroll requirement under Subsection (a)(2)(B) accordingly.

[(c)] For the purposes of this section, the gross annual payroll of a person includes any amount paid by the person to a labor agent for the agent's services and for the services of migrant or seasonal workers but does not include wages paid to:

(1) the person or a member of the person's family, if the person is a sole proprietor;

(2) a partner in a partnership or a member of the partner's family; or

(3) a shareholder of a corporation in which all shareholders are family members or a member of the shareholder's family.

[(d) This subchapter does not affect the application or interpretation of this subtitle as it relates to persons engaged in activities determined before January 1, 1985, not to be farm or ranch labor.]

(2) Renumber the SECTIONS of ARTICLE 1 of the bill appropriately.

2