

1 ENGROSSED HOUSE  
2 BILL NO. 1063

By: Moore and McEntire of the  
House

3 and

4 Paxton of the Senate  
5  
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8 An Act relating to workers' compensation; amending  
9 Section 98, Chapter 208, O.S.L. 2013, as last amended  
10 by Section 2, Chapter 182, O.S.L. 2018 (85A O.S.  
11 Supp. 2018, Section 98), which relates to the Self-  
12 insurance Guaranty Fund; modifying certain source;  
13 and providing an effective date.

14 BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

15 SECTION 1. AMENDATORY Section 98, Chapter 208, O.S.L.  
16 2013, as last amended by Section 2, Chapter 182, O.S.L. 2018 (85A  
17 O.S. Supp. 2018, Section 98), is amended to read as follows:

18 Section 98. The Self-insurance Guaranty Fund shall be derived  
19 from the following sources:

20 1. Any unexpended funds, including interest thereon, held by  
21 the State Treasurer in the Workers' Compensation Self-insurance  
22 Guaranty Fund transferred to the Self-insurance Guaranty Fund as  
23 provided in Section 124 of this title;  
24

1        2. ~~Until the Self-insurance Guaranty Fund contains Two Million~~  
2 ~~Dollars (\$2,000,000.00) or in~~ In the event the amount in the net  
3 fund balance falls below ~~One Million Dollars (\$1,000,000.00)~~ Seven  
4 Hundred Fifty Thousand Dollars (\$750,000.00), the Workers'  
5 Compensation Commission shall make an assessment against each  
6 private self-insurer and group self-insurance association based on  
7 an assessment rate to be determined by the commissioners, not  
8 exceeding ~~one percent (1%)~~ two percent (2%) per annum of actual paid  
9 losses of the self-insurer during the preceding calendar year,  
10 payable to the Tax Commission for deposit to the fund. The  
11 assessment against private self-insurers shall be determined using a  
12 rate equal to the proportion that the deficiency in the fund  
13 attributable to private self-insurers bears to the actual paid  
14 losses of all private self-insurers for the year period of January 1  
15 through December 31 preceding the assessment. The assessment  
16 against group self-insurance associations shall be determined using  
17 a rate equal to the proportion that the deficiency in excess of the  
18 surplus of the Group Self-Insurance Association Guaranty Fund at the  
19 date of the transfer attributable to group self-insurance  
20 associations bears to the actual paid losses of all group self-  
21 insurance associations cumulatively for any calendar year preceding  
22 the assessment. Each self-insurer shall provide the Workers'  
23 Compensation Commission with such information as the Commission may  
24 determine is necessary to effectuate the purposes of this paragraph.

1 For purposes of this paragraph, "actual paid losses" means all  
2 medical and indemnity payments, including temporary disability,  
3 permanent disability, and death benefits, and excluding loss  
4 adjustment expenses and reserves.

5 a. The assessment shall be paid within thirty (30)  
6 calendar days after the date the commissioners notify  
7 the self-insurer of the assessment.

8 b. A private employer or group self-insurance association  
9 which ceases to be a self-insurer shall remain liable  
10 for any and all assessments of the self-insurer as  
11 provided in this paragraph based on actual paid losses  
12 for the calendar year period preceding the assessment.

13 c. Failure of a self-insurer to pay, or timely pay, an  
14 assessment required by this paragraph, or to report  
15 payment of the same to the Commission within ten (10)  
16 days of payment, shall be grounds for revocation by  
17 the Commission of the self-insurer's permit to self-  
18 insure in this state, after notice and hearing. A  
19 former self-insurer failing to make payments required  
20 by this paragraph promptly and correctly, or failing  
21 to report payment of the same to the Commission within  
22 ten (10) days of payment, shall be subject to  
23 administrative penalties as allowed by law, including  
24 but not limited to, a fine in the amount of Five

1           Hundred Dollars (\$500.00) or an amount equal to one  
2           percent (1%) of the unpaid amount, whichever is  
3           greater, to be paid and deposited to the credit of the  
4           Workers' Compensation Commission Revolving Fund  
5           created in Section 28.1 of this title. It shall be  
6           the duty of the Tax Commission to collect the  
7           assessment provided for in this paragraph. The Tax  
8           Commission is authorized to bring an action for  
9           recovery of any delinquent or unpaid assessments, and  
10          may enforce payment of the assessment by proceeding in  
11          accordance with Section 79 of this title.

12          d.    An impaired self-insurer shall be exempt from  
13                assessments beginning on the date of the Commission's  
14                designation until the Commission determines the self-  
15                insurer is no longer impaired.

16          e.    The Tax Commission shall determine the fund balance as  
17                of March 1 and September 1 of each year, and when  
18                otherwise requested by the Workers' Compensation  
19                Commission, and shall advise the Workers' Compensation  
20                Commission in writing within thirty (30) days of each  
21                such determination;

22          3.    Any interest accruing on monies paid into the fund; and

23          4.    Monies transferred pursuant to Section 99 of this title.

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