STATE OF OKLAHOMA

1st Session of the 48th Legislature (2001)

COMMITTEE SUBSTITUTE
FOR
HOUSE BILL NO. 1898 By: Hastings

COMMITTEE SUBSTITUTE

An Act relating to the State Insurance Fund; amending 85 O.S. 1991, Section 131, as last amended by Section 3, Chapter 362, O.S.L. 1995 (85 O.S. Supp. 2000, Section 131), which relates to the creation and purpose of the State Insurance Fund; requiring certain payments and compliance with certain statutes and rules upon the happening of a certain event; and declaring an emergency.

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

SECTION 1. AMENDATORY 85 O.S. 1991, Section 131, as last amended by Section 3, Chapter 326, O.S.L. 1995 (85 O.S. Supp. 2000, Section 131), is amended to read as follows:

Section 131. There is hereby created and established a fund to be known as "The State Insurance Fund", to be administered by the State Insurance Fund Commissioner, without liability on the part of the state beyond the amount of said fund, for the purpose of insuring employers against liability for compensation under Sections 131 through 151 of this title, and for assuring for the persons entitled thereto compensation provided by the workers' compensation law, and for the further purpose of insuring persons, firms and corporations against loss, expense or liability by reason of bodily injury, death by accident, occupational disability, or occupational disease suffered by employees, for which the insured may be liable or have assumed liability. Said fund may further provide insurance for employers against liability incurred as the result of injuries sustained by employees engaged in employment subject to the

Longshoremen's and Harbor Workers' Compensation Act, 33 U.S.C., Section 901 et seq., or employees engaged in employment subject to Title IV of the Federal Coal Mine Health and Safety Act of 1969 as amended by the Black Lung Benefits Act of 1972, as enacted or as may be amended by the Congress of the United States.

~~(a)~~ 1. The State Insurance Fund shall be a revolving fund and shall consist of all premiums received and paid into said fund for insurance issued, all property and securities acquired by and through the use of monies belonging to the fund and all interest earned upon monies belonging to the fund and deposited or invested as herein provided.

~~(b)~~ 2. Said fund shall be applicable to the payment of losses sustained on account of insurance and to the payment of expenses in the manner provided in Sections 131 through 151 of this title.

~~(c)~~ 3. Said fund shall be fairly competitive with other insurance carriers and it is the intent of the Legislature that said fund shall become neither more nor less than self-supporting.

~~(d)~~ 4. The State Insurance Fund shall report to the Insurance Commissioner no later than the last day of February of each year the amount of premium taxes and fees for which it would be liable if it were operating as a private carrier; however, if the State Insurance Fund shall pay any form of compensation, commission, or other benefit to any person for the sale or renewal of a policy, or for the collection of any premium, the State Insurance Fund shall:

a. be liable for paying premium taxes and fees on all premiums collected during the same calendar year in which the compensation was paid,

b. be subject to the jurisdiction of the Insurance Department of the State of Oklahoma and the Insurance Commissioner, and

c. shall comply with all statutes regarding insurers and all rules of the Insurance Department and the Insurance Commissioner.

SECTION 2. It being immediately necessary for the preservation of the public peace, health and safety, an emergency is hereby declared to exist, by reason whereof this act shall take effect and be in full force from and after its passage and approval.

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