

STATE OF OKLAHOMA

1st Session of the 49th Legislature (2003)

SENATE BILL 398

By: Coffee

AS INTRODUCED

An Act relating to CompSource Oklahoma; amending Section 21, Chapter 307, O.S.L. 2002 (36 O.S. Supp. 2002, Section 1435.40), which relates to applicants for licensure; adding specified employees to certain exemption; amending 62 O.S. 2001, Section 45.2, which relates to definitions; modifying definition; amending 85 O.S. 2001, Section 131a, as amended by Section 7, Chapter 50, O.S.L. 2002, 131b, as amended by Section 8, Chapter 50, O.S.L. 2002, and 148, as amended by Section 20, Chapter 50, O.S.L. 2002 (85 O.S. Supp. 2002, Sections 131a, 131b and 148), which relate to CompSource Board of Managers and Chief Executive Officer and contract of insurance; authorizing specified compensation for Board members; stating exception; stating qualifications required for certain position; authorizing Board to set particular salary based on certain criteria; updating reference; and providing an effective date.

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

SECTION 1. AMENDATORY Section 21, Chapter 307, O.S.L. 2002 (36 O.S. Supp. 2002, Section 1435.40), is amended to read as follows:

Section 1435.40 A. Except as provided in subsections B and C of this section, an applicant for licensure shall not be a full-time employee of the government of the United States or of the executive or administrative branches of the government of this state or any county or municipality of this state.

B. The provisions of subsection A of this section shall not apply to:

1. Applicants for life or accident and health insurance producer licenses or limited lines producers; ~~or~~

2. Persons who hold an elective office, except the office of Insurance Commissioner; or

3. Employees of CompSource Oklahoma.

C. For the purpose of this section, a teacher shall not be considered a full-time employee of the executive or administrative branches of the government of the state or of any county or municipality of the state.

SECTION 2. AMENDATORY 62 O.S. 2001, Section 45.2, is amended to read as follows:

Section 45.2 In this act, "state agency" means a department, board, commission, or other entity of state government within the Executive Department of the State of Oklahoma, excluding CompSource Oklahoma, but including institutions of higher education, that:

1. Was created by the Constitution or a state statute with an ongoing mission and responsibilities;
 2. Is not the Office of the Governor or Lieutenant Governor;
- and
3. Is not a committee created under state law whose primary function is to advise an agency.

SECTION 3. AMENDATORY 85 O.S. 2001, Section 131a, as amended by Section 7, Chapter 50, O.S.L. 2002 (85 O.S. Supp. 2002, Section 131a), is amended to read as follows:

Section 131a. A. There is hereby created a Board to be known as the "Board of Managers of CompSource Oklahoma", which Board shall have supervision over the administration and operation of CompSource Oklahoma, and shall be composed of nine (9) members as follows:

1. The Director of State Finance or a designee;
2. The Lieutenant Governor or a designee;
3. The State Auditor and Inspector or a designee;
4. The Director of Central Purchasing of the Department of Central Services;
5. One member appointed by the Governor;

6. Two members appointed by the Speaker of the House of Representatives, one of whom shall be representative of employers; and

7. Two members appointed by the President Pro Tempore of the Senate, one of whom shall be representative of employees. The appointed members of the Board shall serve at the pleasure of the appointing authority.

B. The members of the Board shall elect annually from their number a Chair and a Secretary. The Secretary shall keep true and complete records of all proceedings of the Board. The Board shall meet quarterly, and at all other times when a meeting is called by the Chair, and at such meetings the Board may consider the condition of CompSource Oklahoma and quarterly shall make a detailed examination into the condition of its reserves and investments and at each meeting may examine all other matters relating to the administration of such fund. The time and place of the regular meetings and the manner in which special meetings may be called shall be set forth in the bylaws of the said Fund. Except as otherwise provided in this act or in the bylaws, all actions shall be taken by the affirmative vote of a majority of the Board members present at a meeting, except that no investment policy and no amendment of bylaws shall be valid unless authorized or ratified by the affirmative vote of at least four Board members.

C. Appointed members of the Board shall be reimbursed for expenses as provided in the State Travel Reimbursement Act. Said reimbursement, not to exceed thirty (30) days in any calendar year, shall be paid only when the Board is transacting official business. Any reimbursement in excess of thirty (30) days shall be approved by a majority of the Board. In addition, except as prohibited by law, the members shall each receive compensation of Five Hundred Dollars (\$500.00) per month. Members who fail to attend a regularly scheduled monthly meeting of the Board shall not receive the related

monthly compensation. The Board shall have access to all records and books of account and shall have power to require the presence or appearance of any officer or employee of CompSource Oklahoma. All information obtained by the members of the Board shall be confidential unless disclosed by order of the Board.

D. No person or organization in a position to influence official action of members of the Board of Managers of CompSource Oklahoma, the President and Chief Executive Officer, and the employees of CompSource Oklahoma shall furnish presents, gratuities, transportation, lodging, educational seminars, conferences, meetings, or similar functions to the Board of Managers of CompSource Oklahoma, the President and Chief Executive Officer, and the employees of CompSource Oklahoma other than as provided by law and the rules of the Ethics Commission.

E. The official name of the Board of Managers which is known as the "Board of Managers of the State Insurance Fund" shall be designated in all future references as the "Board of Managers of CompSource Oklahoma". Any references in the Oklahoma Statutes to the Board of Managers of the State Insurance Fund shall be deemed references to the Board of Managers of CompSource Oklahoma.

SECTION 4. AMENDATORY 85 O.S. 2001, Section 131b, as amended by Section 8, Chapter 50, O.S.L. 2002 (85 O.S. Supp. 2002, Section 131b), is amended to read as follows:

Section 131b. A. The Board of Managers of CompSource Oklahoma shall appoint a President and Chief Executive Officer, who shall be executive manager of CompSource Oklahoma. The President and Chief Executive Officer shall satisfy the qualifications established by the Board, including, but not limited to, five (5) or more years of insurance experience. The Board shall set the salary of the President and Chief Executive Officer commensurate with his or her experience and consistent with salaries earned by similarly situated insurance executives.

B. All references in the Oklahoma Statutes to the State Insurance Fund Commissioner or the Commissioner of the State Insurance Fund shall be deemed references to the CompSource Oklahoma President and Chief Executive Officer.

SECTION 5. AMENDATORY 85 O.S. 2001, Section 148, as amended by Section 20, Chapter 50, O.S.L. 2002 (85 O.S. Supp. 2002, Section 148), is amended to read as follows:

Section 148. Every person, firm or corporation insuring in "CompSource Oklahoma" shall receive from CompSource Oklahoma a contract or policy of insurance to be approved by the ~~State Insurance~~ Board of Managers of CompSource Oklahoma.

Except as otherwise provided in this act all premiums shall be paid by every person, firm, or corporation who elects to insure with "CompSource Oklahoma" to the CompSource Oklahoma President and Chief Executive Officer semiannually, or at such times as may be prescribed by general rule or regulation applicable to all insurers alike by the Insurance Commissioner. Receipts shall be given for such payment and the money shall be paid over to the credit of CompSource Oklahoma.

SECTION 6. This act shall become effective November 1, 2003.

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