

1 STATE OF OKLAHOMA

2 2nd Session of the 52nd Legislature (2010)

3 COMMITTEE SUBSTITUTE

4 FOR

5 HOUSE BILL NO. 2662

6 By: Sullivan

7 COMMITTEE SUBSTITUTE

8 An Act relating to workers' compensation; providing
9 for the sale of CompSource Oklahoma by certain date;
10 providing for disposition of buildings and
11 appointments of CompSource Oklahoma; amending 74 O.S.
12 2001, Section 840-5.10, as last amended by Section 1,
13 Chapter 440, O.S.L. 2009 (74 O.S. Supp. 2009, Section
14 840-5.10), which relates to certain employees of
15 CompSource Oklahoma; requiring that CompSource
16 Oklahoma offices and positions be vacated; providing
17 for transfer or termination of employees; amending
18 Section 1, Chapter 17, O.S.L. 2002, as last amended
19 by Section 5, Chapter 300, O.S.L. 2008 (74 O.S. Supp.
20 2009, Section 3601.1), which relates to maximum
21 number of full-time employees for certain agencies;
22 providing that State Insurance Fund employees shall
23 be zero; amending Section 2, Chapter 463, O.S.L.
24 2004, as last amended by Section 2, Chapter 208,
O.S.L. 2007 (74 O.S. Supp. 2009, Section 3601.2),
which relates to salaries of certain chief executive
officers; providing that sale of CompSource Oklahoma
shall make certain provision obsolete; amending 85
O.S. 2001, Section 132a, as amended by Section 1,
Chapter 403, O.S.L. 2004 (85 O.S. Supp. 2009, Section
132a), which relates to workers' compensation
insurance for volunteer firefighters; authorizing
purchase of workers' compensation from any successor
of CompSource Oklahoma; repealing 85 O.S. 2001,
Sections 131, 131a, 131b and 132, as amended by
Sections 6, 7, 8 and 9, Chapter 50, O.S.L. 2002, 133,
as last amended by Section 2, Chapter 316, O.S.L.
2006, 134, as last amended by Section 1, Chapter 77,
O.S.L. 2008, 135, 135.1, 136, 137 and 138, as amended
by Sections 12, 13, 14, 15 and 16, Chapter 50, O.S.L.

1 2002, 138.2, 139 and 141, as amended by Sections 17
2 and 18, Chapter 50, O.S.L. 2002, 142, as amended by
3 Section 2, Chapter 145, O.S.L. 2002, 142a, 144, 145,
4 146, 147 and 148, as amended by Sections 19 and 20,
5 Chapter 50, O.S.L. 2002, 149.1, 149.2, 151 and
6 Section 21, Chapter 426, O.S.L. 2009 (85 O.S. Supp.
7 2009, Sections 131, 131a, 131b, 132, 133, 134, 135,
8 135.1, 136, 137, 138, 139, 141, 142, 147, 148 and
9 154), which relate to CompSource Oklahoma; providing
10 for codification; and providing effective dates.

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

12 SECTION 1. NEW LAW A new section of law to be codified
13 in the Oklahoma Statutes as Section 125 of Title 85, unless there is
14 created a duplication in numbering, reads as follows:

15 CompSource Oklahoma shall be sold to the highest bidder by
16 December 31, 2011. Any and all proceeds from the sale of CompSource
17 Oklahoma shall be retained as an asset of the State of Oklahoma.
18 The sale shall include the purchase of all buildings and assets
19 owned by CompSource Oklahoma.

20 SECTION 2. AMENDATORY 74 O.S. 2001, Section 840-5.10, as
21 last amended by Section 1, Chapter 440, O.S.L. 2009 (74 O.S. Supp.
22 2009, Section 840-5.10), is amended to read as follows:

23 Section 840-5.10 A. CompSource Oklahoma shall be under the
24 Merit System until December 31, 2011. ~~Except as otherwise provided
in subsection B of this section, all offices, positions and
personnel shall be classified and subject to the provisions of the~~

1 ~~Merit System of Personnel Administration and rules promulgated~~
2 ~~hereunder Upon the successful sale of CompSource Oklahoma any~~
3 ~~employee who is not hired by the successor company shall have~~
4 ~~priority over other applicants for positions in other agencies of~~
5 ~~the state. This section shall supersede and repeal any and all~~
6 ~~executive orders issued pursuant to this act to place the agency or~~
7 ~~its predecessors under the Merit System.~~

8 B. ~~In addition to offices, positions and personnel that are~~
9 ~~unclassified pursuant to Section 840-5.5 of this title, the~~
10 ~~following offices, positions and personnel shall be in the~~
11 ~~unclassified service:~~

- 12 1. ~~President and Chief Executive Officer;~~
- 13 2. ~~Executive Vice President;~~
- 14 3. ~~Vice Presidents;~~
- 15 4. ~~Executive Secretaries to the President, Executive Vice~~
16 ~~President and Vice Presidents;~~
- 17 5. ~~Law Clerks and Legal Assistants;~~
- 18 6. ~~Special Counsel;~~
- 19 7. ~~General Counsel;~~
- 20 8. ~~Medical Analysts Supervisor;~~
- 21 9. ~~Medical Analysts;~~
- 22 10. ~~Field Adjusters;~~
- 23 11. ~~Investment Officer;~~
- 24 12. ~~Workers' Compensation Insurance Consultants;~~

- ~~13. Workers' Compensation Insurance Technicians;~~
- ~~14. Workers' Compensation Insurance Adjusters;~~
- ~~15. Workers' Compensation Insurance Underwriters;~~
- ~~16. Information Systems Personnel;~~
- ~~17. Fraud Investigation Specialists;~~
- ~~18. Collections Attorneys;~~
- ~~19. Premium Auditors; and~~
- ~~20. Safety Consultants.~~

~~C. CompSource Oklahoma may develop a plan for a program for incentive based compensation for its employees. The plan shall be subject to the review and approval of the Insurance Commissioner~~

B. The Office of Personnel Management shall develop a plan as required by subsection A of this section by July 1, 2011.

SECTION 3. AMENDATORY Section 1, Chapter 17, O.S.L. 2002, as last amended by Section 5, Chapter 300, O.S.L. 2008 (74 O.S. Supp. 2009, Section 3601.1), is amended to read as follows:

Section 3601.1 A. For purposes of Sections 3601.1 through 3603 of this title, the term "employee" means a full-time employee or any number of part-time employees whose combined weekly hours of employment equal those of a full-time employee, but shall not include temporary employees working on a seasonal basis between May 1 and October 31.

B. Beginning July 1, 2008, the maximum number of full-time-equivalent employees for each of the following agencies, boards,

1 commissions, departments, or programs shall not exceed the numbers
2 specified in this section, except as may be authorized pursuant to
3 the provisions of Section 3603 of this title.

4		MAXIMUM NUMBER OF
5		FULL-TIME-EQUIVALENT
6		EMPLOYEES
7	Board of Managers of the State Insurance Fund	591
8	Oklahoma Employment Security Commission	1150
9	Oklahoma Accountancy Board	11
10	Board of Governors of the Licensed Architects,	
11	Landscape Architects and Interior Designers of	
12	Oklahoma	4
13	Board of Chiropractic Examiners	3
14	State Board of Cosmetology	16
15	Board of Dentistry	5
16	Oklahoma State Board of Embalmers and Funeral	
17	Directors	5
18	State Board of Registration for Professional	
19	Engineers and Land Surveyors	10
20	State Board of Medical Licensure and Supervision/ 21 Board of Podiatric Medical Examiners/State	
22	Board of Examiners of Perfusionists	29
23	Commission on Marginally Producing Oil and Gas	
24	Wells	5

1	Oklahoma Motor Vehicle Commission	6
2	Oklahoma Board of Nursing	26
3	Oklahoma State Board of Examiners for Nursing	
4	Home Administrators	4
5	Board of Examiners in Optometry	3
6	State Board of Osteopathic Examiners	7
7	Oklahoma Peanut Commission	2
8	Oklahoma State Board of Pharmacy	10
9	State Board of Examiners of Psychologists	2
10	Oklahoma Real Estate Commission	26
11	Board of Examiners for Speech-Language Pathology	
12	and Audiology	2
13	Oklahoma Used Motor Vehicle and Parts Commission	12
14	State Board of Veterinary Medical Examiners	6
15	Oklahoma Wheat Utilization, Research and Market	
16	Development Commission	7
17	Oklahoma Firefighters Pension and Retirement	
18	System	13
19	Oklahoma Police Pension and Retirement System	12
20	Teachers' Retirement System of Oklahoma	52
21	Oklahoma Public Employees Retirement System	63
22	Oklahoma Student Loan Authority	85
23	Oklahoma Industrial Finance Authority/Oklahoma	
24	Development Finance Authority	10

1	State and Education Employees Group Insurance	
2	Board	178
3	Oklahoma Capital Investment Board	4
4	State Board of Licensed Social Workers	1
5	Oklahoma State Employees Benefits Council	38
6	Oklahoma State Banking Department	46
7	Liquefied Petroleum Gas Administration	10

8 C. The duties and compensation of employees, not otherwise
9 prescribed by law, necessary to perform the duties imposed upon the
10 Oklahoma Public Employees Retirement System Board of Trustees by law
11 shall be set by the Board of Trustees.

12 D. Temporary employees of the Oklahoma Used Motor Vehicle and
13 Parts Commission between the dates of November 1 and January 31
14 annually shall not be counted toward the maximum number of full-
15 time-equivalent employees provided for in this section.

16 SECTION 4. AMENDATORY Section 2, Chapter 463, O.S.L.
17 2004, as last amended by Section 2, Chapter 208, O.S.L. 2007 (74
18 O.S. Supp. 2009, Section 3601.2), is amended to read as follows:

19 Section 3601.2 A. Beginning January 1, 2007, the agency,
20 board, commission, department or program shall establish the salary
21 of each of the chief executive officers for which they have
22 appointing authority. Such salary shall be set between the minimum
23 and maximum of the range specified below, for full-time employees

24

1 only, per annum, payable monthly, pursuant to the limitations
2 outlined below:

3 1. If the chief executive officer's salary is below the minimum
4 annual salary then it can not be raised to more than the minimum
5 annual salary in one (1) fiscal year. If the chief executive
6 officer's salary is at or above the minimum annual salary then the
7 salary may not be increased above the midpoint in one (1) fiscal
8 year.

9 2. Such increases shall not occur more than once in a fiscal
10 year; and

11 3. The salary of the incumbent chief executive officer shall
12 not be increased if the officer's salary exceeds the maximum of the
13 range.

	MINIMUM	MIDPOINT	MAXIMUM
	ANNUAL	ANNUAL	ANNUAL
	SALARY	SALARY	SALARY
17 CompSource Oklahoma	\$86,136.00	\$101,337.00	\$116,536.00
18 Oklahoma Employment			
19 Security Commission	\$93,190.00	\$109,635.00	\$126,080.00
20 Oklahoma Accountancy Board	\$55,748.00	\$65,585.00	\$75,424.00
21 Board of Governors of the			
22 Licensed Architects,			
23 Landscape Architects and			

1	Interior Designers of			
2	Oklahoma	\$45,513.00	\$62,757.00	\$80,000.00
3	Board of Chiropractic			
4	Examiners	\$46,788.00	\$55,044.00	\$63,301.00
5	State Board of Cosmetology	\$46,788.00	\$55,044.00	\$63,301.00
6	Board of Dentistry	\$54,956.00	\$64,334.00	\$75,687.00
7	Oklahoma Funeral Board	\$46,788.00	\$55,044.00	\$63,301.00
8	State Board of Registration			
9	for Professional			
10	Engineers and Land			
11	Surveyors	\$55,748.00	\$65,585.00	\$75,424.00
12	State Board of Medical			
13	Licensure and			
14	Supervision, Board of			
15	Podiatric Medical			
16	Examiners/State Board of			
17	Examiners of			
18	Perfusionists	\$67,551.00	\$79,471.00	\$91,392.00
19	Commission on Marginally			
20	Producing Oil and Gas			
21	Wells	\$55,748.00	\$65,585.00	\$75,424.00
22	Oklahoma Motor Vehicle			
23	Commission	\$55,748.00	\$65,585.00	\$75,424.00
24	Oklahoma Board of Nursing	\$67,551.00	\$79,471.00	\$91,392.00

1	Oklahoma State Board of			
2	Examiners for Nursing			
3	Home Administrators	\$46,788.00	\$55,044.00	\$63,301.00
4	State Board of Osteopathic			
5	Examiners	\$54,956.00	\$64,334.00	\$75,687.00
6	Oklahoma Peanut Commission	\$45,513.00	\$55,044.00	\$63,300.00
7	State Board of Examiners of			
8	Psychologists	\$46,788.00	\$55,044.00	\$63,301.00
9	Oklahoma Real Estate			
10	Commission	\$67,551.00	\$79,471.00	\$91,392.00
11	Board of Examiners for			
12	Speech-Language Pathology			
13	and Audiology	\$38,001.00	\$44,706.00	\$51,412.00
14	Oklahoma Used Motor Vehicle			
15	and Parts Commission	\$55,748.00	\$65,585.00	\$75,424.00
16	State Board of Veterinary			
17	Medical Examiners	\$46,788.00	\$55,044.00	\$63,301.00
18	Oklahoma Wheat Utilization,			
19	Research and Market			
20	Development Commission	\$55,748.00	\$65,585.00	\$75,424.00
21	Oklahoma Firefighters			
22	Pension and Retirement			
23	System	\$80,732.00	\$94,980.00	\$109,226.00
24				

1	Oklahoma Police Pension and			
2	Retirement System	\$80,733.00	\$94,981.00	\$109,227.00
3	Teachers' Retirement System			
4	of Oklahoma	\$86,136.00	\$101,337.00	\$116,536.00
5	Oklahoma Public Employees			
6	Retirement System	\$86,136.00	\$101,337.00	\$116,536.00
7	Oklahoma Student Loan			
8	Authority	\$83,790.00	\$101,377.00	\$116,536.00
9	Oklahoma Industrial Finance			
10	Authority	\$80,731.00	\$94,979.00	\$109,225.00
11	State and Education			
12	Employees Group Insurance			
13	Board	\$86,136.00	\$101,337.00	\$116,536.00
14	Oklahoma Capital Investment			
15	Board	\$80,731.00	\$94,979.00	\$109,225.00
16	State Board of Licensed			
17	Social Workers	\$46,788.00	\$55,044.00	\$63,301.00
18	Oklahoma State Employees			
19	Benefits Council	\$80,731.00	\$94,979.00	\$109,225.00
20	Grand River Dam Authority	\$101,437.00	\$119,339.00	\$137,239.00
21	Oklahoma State Banking			
22	Department	\$101,437.00	\$119,339.00	\$137,239.00
23	Liquefied Petroleum Gas			
24	Administration	\$55,748.00	\$65,585.00	\$75,424.00

1 Oklahoma Securities

2 Commission \$101,437.00 \$119,339.00 \$137,239.00

3 B. All increases require certification of the appointing
4 authority that said action can be implemented for the current fiscal
5 year and subsequent fiscal year without the need for additional
6 funding. The agency, board, commission, department or program shall
7 report increases granted under this section to the Office of
8 Personnel Management on an annual basis by August 1 of each year.
9 The Office of Personnel management shall forward a report of such
10 increases to the Governor, President Pro Tempore of the Senate, and
11 Speaker of the House of Representatives no later than September 1 of
12 each year.

13 C. Every two (2) years starting FY-05, the Office of Personnel
14 Management shall review these salary ranges and report on and make
15 recommendations on proposed salary ranges in their annual
16 compensation reports mandated by paragraph 5 of Section 840-1.6A of
17 this title by no later than December 1.

18 D. Every three (3) years the Legislature shall review the
19 salary ranges specified in subsection A of this section.

20 SECTION 5. AMENDATORY 85 O.S. 2001, Section 132a, as
21 amended by Section 1, Chapter 403, O.S.L. 2004 (85 O.S. Supp. 2009,
22 Section 132a), is amended to read as follows:

23 Section 132a. A. ~~1-~~ Volunteer fire departments organized
24 pursuant to state law may obtain workers' compensation insurance for

1 volunteer firefighters through the ~~Volunteer Firefighter Group~~
2 ~~Insurance Pool pursuant to requirements established by CompSource~~
3 ~~Oklahoma which shall administer the Pool. For the premium set by~~
4 ~~CompSource Oklahoma, the state shall provide Fifty five Dollars~~
5 ~~(\$55.00) per firefighter per year. Except as otherwise provided by~~
6 ~~subsection D of this section, the total amount paid by the state~~
7 ~~shall not exceed Three Hundred Twenty Thousand Three Hundred Thirty-~~
8 ~~eight Dollars (\$320,338.00) per year or so much thereof as may be~~
9 ~~necessary to fund the Volunteer Firefighter Group Insurance Pool.~~

10 2. ~~CompSource Oklahoma shall collect the premium from state~~
11 ~~agencies, public trusts and other instrumentalities of the state.~~
12 ~~Any funds received by CompSource Oklahoma from any state agency,~~
13 ~~public trust, or other instrumentality for purposes of workers'~~
14 ~~compensation insurance pursuant to this section shall be deposited~~
15 ~~to the credit of the Volunteer Firefighter Group Insurance Pool.~~
16 ~~CompSource Oklahoma shall collect premiums, pay claims, and provide~~
17 ~~for excess insurance as needed.~~

18 B. ~~CompSource Oklahoma shall report, annually, to the Governor,~~
19 ~~the Speaker of the Oklahoma House of Representatives, and the~~
20 ~~President Pro Tempore of the State Senate the number of enrollees in~~
21 ~~the Volunteer Firefighter Group Insurance Pool, and the amount of~~
22 ~~any anticipated surplus or deficiency of the Pool; and shall also~~
23 ~~provide to the Governor, the Speaker of the Oklahoma House of~~
24 ~~Representatives and the President Pro Tempore of the State Senate~~

1 ~~sixty (60) days advance notice of any proposed change in rates for~~
2 ~~the Volunteer Firefighter Group Insurance Pool.~~

3 ~~C. The amount of claims paid, claim expenses, underwriting~~
4 ~~losses, loss ratio, or any other financial aspect of the Volunteer~~
5 ~~Firefighter Group Insurance Pool shall not be considered when~~
6 ~~determining or considering bids for the amount of any premiums,~~
7 ~~rates, or expenses owed by, or any discounts, rebates, dividends, or~~
8 ~~other financial benefits owed to any other policyholder of~~
9 ~~CompSource Oklahoma.~~

10 ~~D. Except as otherwise provided by law, any increase in the~~
11 ~~state payment rate for volunteer firefighters under the Volunteer~~
12 ~~Firefighter Group Insurance Pool shall not exceed five percent (5%)~~
13 ~~per annum. Any proposed change in rates for the Volunteer~~
14 ~~Firefighter Group Insurance Pool must be approved by the Board of~~
15 ~~Managers of CompSource Oklahoma with notice provided pursuant to~~
16 ~~subsection B of this section. CompSource Oklahoma shall not~~
17 ~~increase premiums for the Volunteer Firefighter Group Insurance Pool~~
18 ~~more than once per annum any successor of CompSource Oklahoma.~~

19 ~~E. B. For purposes of this section, the term "volunteer fire~~
20 ~~departments" includes those volunteer fire departments which have~~
21 ~~authorized voluntary or uncompensated workers rendering services as~~
22 ~~firefighters and are created by statute pursuant to Section 592 of~~
23 ~~Title 18 of the Oklahoma Statutes, Sections 29-201 through 29-205 of~~

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1 Title 11 of the Oklahoma Statutes, and those defined by Section 351
2 of Title 19 of the Oklahoma Statutes.

3 SECTION 6. REPEALER 85 O.S. 2001, Sections 131, 131a,
4 131b and 132, as amended by Sections 6, 7, 8 and 9, Chapter 50,
5 O.S.L. 2002, 133, as last amended by Section 2, Chapter 316, O.S.L.
6 2006, 134, as last amended by Section 1, Chapter 77, O.S.L. 2008,
7 135, 135.1, 136, 137 and 138, as amended by Sections 12, 13, 14, 15
8 and 16, Chapter 50, O.S.L. 2002, 138.2, 139 and 141, as amended by
9 Sections 17 and 18, Chapter 50, O.S.L. 2002, 142, as amended by
10 Section 2, Chapter 145, O.S.L. 2002, 142a, 144, 145, 146, 147 and
11 148, as amended by Sections 19 and 20, Chapter 50, O.S.L. 2002,
12 149.1, 149.2, 151 and Section 21, Chapter 426, O.S.L. 2009 (85 O.S.
13 Supp. 2009, Sections 131, 131a, 131b, 132, 133, 134, 135, 135.1,
14 136, 137, 138, 139, 141, 142, 147, 148 and 154), are hereby
15 repealed.

16 SECTION 7. Section 1 of this act shall become effective
17 November 1, 2010.

18 SECTION 8. Sections 2 through 6 of this act shall become
19 effective upon the successful sale of CompSource Oklahoma.

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21 52-2-9880 SDR 02/17/10

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