

BILL SUMMARY
1st Session of the 54th Legislature

Bill No.:	HB2201
Version:	Introduced
Request Number:	6488
Author:	Speaker Shannon
Date:	2/19/2013
Impact:	Potential Cost Savings

Research Analysis

HB2201, as introduced, creates the CompSource Mutual Insurance Company Act for the purpose of converting CompSource Oklahoma into a domestic mutual insurer. The measure establishes the CompSource Mutual Insurance Company (CompSource Co.), which will be organized under state law, but independent of the State of Oklahoma. The measure requires CompSource Co. to provide worker's compensation insurance to any employer in the state, including volunteer firefighters and prohibits the dissolution of the company.

CompSource Co. will be governed by a board of directors composed of 10 members, of which the majority is appointed by state government officials. The measure also authorizes the board to employ a Chief Executive Officer (CEO) to carry out the functions of CompSource Co. and outlines the powers, duties and authority of the board and the CEO. Effective January 1, 2015, CompSource Co will be considered a continuation of CompSource Oklahoma and absorb all remaining properties, debts, claim and other assets or liabilities held by CompSource Oklahoma.

Finally, the measure modifies references and repeals several sections of Title 74, 76 and 85 to incorporate the changes proposed by the provisions of the act.

Prepared By: Quyen Do

Fiscal Analysis

HB2201, as introduced, privatizes CompSource Oklahoma and creates CompSource Mutual Insurance Company. If the new entity is able to offer workers' compensation insurance to state agencies at a lower cost than CompSource Oklahoma, there are potential cost savings for the state.

Prepared By: Marilyn Anderson

Other Considerations

None