

STATE OF OKLAHOMA

1st Session of the 56th Legislature (2017)

HOUSE BILL 1864

By: Osborn (Leslie)

AS INTRODUCED

An Act relating to workers' compensation; amending Section 165, Chapter 208, O.S.L. 2013, as amended by Section 4, Chapter 344, O.S.L. 2015 (85A O.S. Supp. 2016, Section 122), which relates to funding; clarifying language; and providing an effective date.

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

SECTION 1. AMENDATORY Section 165, Chapter 208, O.S.L. 2013, as amended by Section 4, Chapter 344, O.S.L. 2015 (85A O.S. Supp. 2016, Section 122), is amended to read as follows:

Section 122. A. The Workers' Compensation Commission Revolving Fund established by Section ~~2~~ 28.1 of this ~~act~~ title shall be used for the costs of administering this act and for other purposes as authorized by law.

B. For the purpose of providing funds for the Workers' Compensation Commission Revolving Fund, for the Workers' Compensation Administrative Fund created in Section ~~5~~ 401.1 of this ~~act~~ title, for the Multiple Injury Trust Fund created in Section 28

1 of this title, and to fund other provisions within this title, the
2 following tax rates shall apply:

3 1. Each mutual or interinsurance association, stock company,
4 CompSource Oklahoma or other insurance carrier writing workers'
5 compensation insurance in this state shall pay to the Oklahoma Tax
6 Commission an assessment at a rate of one percent (1%) of all gross
7 direct premiums written during each quarter of the calendar year for
8 workers' compensation insurance on risks located in this state after
9 deducting from such gross direct premiums, return premiums,
10 unabsorbed portions of any deposit premiums, policy dividends,
11 safety refunds, savings and other similar returns paid or credited
12 to policyholders. Such payments to the Tax Commission shall be made
13 not later than the fifteenth day of the month following the close of
14 each quarter of the calendar year in which such gross direct premium
15 is collected or collectible. Contributions made by insurance
16 carriers and CompSource Oklahoma, under the provisions of this
17 section, shall be considered for the purpose of computing workers'
18 compensation rates; and

19 2. When an employer is authorized to become a self-insurer, the
20 Commission shall so notify the Tax Commission, giving the effective
21 date of such authorization. The Tax Commission shall then assess
22 and collect from the employers carrying their own risk an assessment
23 at the rate of two percent (2%) of the total compensation for
24 permanent total disability awards, permanent partial disability

1 awards and death benefits paid out during each quarter of the
2 calendar year by the employers. Such assessment shall be payable by
3 the employers and collected by the Tax Commission according to the
4 provisions of this section regarding payment and collection of the
5 assessment created in paragraph 1 of this subsection.

6 C. It shall be the duty of the Tax Commission to collect the
7 payments provided for in this title. The Tax Commission is hereby
8 authorized to bring an action for the recovery of any delinquent or
9 unpaid payments required in this section. The Tax Commission may
10 also enforce payments by proceeding in accordance with the
11 provisions of Section 98 of this title.

12 D. The Tax Commission shall pay monthly to the State Treasurer
13 to the credit of the Multiple Injury Trust Fund all monies collected
14 under the provisions of this section less the annual amounts which
15 shall be apportioned by the Oklahoma Tax Commission as follows:

16 1. Five Million Dollars (\$5,000,000.00) shall be payable in
17 equal monthly installments to the credit of the Workers'
18 Compensation Commission Revolving Fund established in Section 2 of
19 this act for the fiscal year ending June 30, 2016, and Three Million
20 Dollars (\$3,000,000.00) for the fiscal year ending June 30, 2017,
21 and for all subsequent years to be used to implement the provisions
22 of this title; and

23 2. Four Million Dollars (\$4,000,000.00) shall be payable in
24 equal monthly installments to the credit of the Workers'

1 Compensation Administrative Fund established in Section 5 of this
2 act for the fiscal year ending June 30, 2016, Three Million Five
3 Hundred Thousand Dollars (\$3,500,000.00) for the fiscal year ending
4 June 30, 2017, Three Million Five Hundred Thousand Dollars
5 (\$3,500,000.00) for the fiscal year ending June 30, 2018, Three
6 Million Dollars (\$3,000,000.00) for the fiscal year ending June 30,
7 2019, and Two Million Five Hundred Thousand Dollars (\$2,500,000.00)
8 for the fiscal year ending June 30, 2020. Monies deposited in the
9 Workers' Compensation Administrative Fund shall be used by the
10 Workers' Compensation Court of Existing Claims to implement
11 provisions provided for in this title.

12 E. The refund provisions of Sections 227 through 229 of Title
13 68 of the Oklahoma Statutes shall be applicable to any payments made
14 pursuant to this section.

15 SECTION 2. This act shall become effective November 1, 2017.

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