

BILL SUMMARY
1st Session of the 58th Legislature

Bill No.:	SB524
Version:	FULLPCS1
Request Number:	7997
Author:	Sneed
Date:	3/31/2021
Impact:	Please see previous summary of this measure

Research Analysis

The PCS to SB 524 removes the exception of application of act to CompSource Mutual Insurance Company. The measure requires the Insurance Commissioner to develop and administer an assigned risk plan to provide workers' compensation insurance coverage to employees who are unable to buy coverage in the voluntary market. To qualify for coverage of the plan, an employer must be declined coverage by at least two unaffiliated insurers and must provide documentation to the Insurance Commissioner that the insurers are unwilling to provide coverage at any premium level. Any employer that meets the requirements of this provision will be provided coverage at a premium level determined by the Commissioner. The measure requires premiums to be actuarially sound and rates cannot be excessive, inadequate or unfairly discriminatory.

The measure authorizes the Insurance Commissioner to designate a third party to develop and administer the assigned risk plan for a three-year period beginning on the effective date of this act.

The measure directs CompSource Mutual Insurance Company to serve as the residual market mechanism for those insureds who would otherwise be in the assigned risk plan.

The measure repeals 85 O.S. Supp. 2020, Sections 375.1, 375.2, 375.3, 375.4, 375.5, 375.6, 375.7, 375.8, 375.9, 375.10, 375.11, 375.12, 375.13 and 85 O.S. Supp. 2020, Section 396 which relate to the CompSource Mutual Insurance Company Act and CompSource information not open to public inspection.

[§ 375.1. Short Title](#)

[§ 375.2. Definitions](#)

[§ 375.3. CompSource Mutual Insurance Company - Transition - Organization - Status](#)

[§ 375.4. Board of Directors - Appointment - Election - Terms - Vacancies](#)

[§ 375.5. Initial Members and Initial Terms of Board Members - Elections - Bylaws](#)

[§ 375.6. Duties of Board of Directors](#)

[§ 375.7. Actuarially Sound Rates](#)

[§ 375.8. Limitation on Personal Liability](#)

[§ 375.9. Reserves - Dividends - Other Powers and Rights of the Company](#)

[§ 375.10. Taxes - Membership in Oklahoma Property and Casualty Insurance Guarantee Association](#)

[§ 375.11. Reports](#)

[§ 375.12. Revenues, Assets, and Monies - Rights, Privileges, Powers, and Authority](#)

[§ 375.13. Severability](#)

[§ 396. Information Not Open to Public Inspection - Penalty for Violation - Listing of Insureds](#)

Prepared By: Dan Brooks

Fiscal Analysis

The measure is currently under review and impact information will be completed.

Prepared By: Mark Tygret

Other Considerations

None.