

1 STATE OF OKLAHOMA

2 1st Extraordinary Session of the 59th Legislature (2023)

3 COMMITTEE SUBSTITUTE
4 FOR

5 HOUSE BILL NO. 1028

By: Wallace and Martinez of the
House

6 and

7 Thompson (Roger) and Hall
8 of the Senate

9
10 COMMITTEE SUBSTITUTE

11 An Act relating to the Administrative Workers'
12 Compensation Act; amending 85A O.S. 2021, Section
13 122, which relates to costs of administering act;
14 modifying distribution of certain funds; limiting
15 period of certain distribution; providing for return
16 of distributions on certain date; updating statutory
17 reference; providing an effective date; and declaring
18 an emergency.

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

20 SECTION 1. AMENDATORY 85A O.S. 2021, Section 122, is
21 amended to read as follows:

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

1 B. For the purpose of providing funds for the Workers'
2 Compensation Commission Revolving Fund, for the Workers'
3 Compensation Administrative Fund created in Section 401.1 of this
4 title, for the Multiple Injury Trust Fund created in Section 28 of
5 this title, and to fund other provisions within this title, the
6 following tax rates shall apply:

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

20 Contributions made by insurance carriers and CompSource Mutual
21 Insurance Company, under the provisions of this section, shall be
22 considered for the purpose of computing workers' compensation rates;
23 and
24

1 2. When an employer is authorized to become a self-insurer, the
2 Commission shall so notify the Oklahoma Tax Commission, giving the
3 effective date of such authorization. The Oklahoma Tax Commission
4 shall then assess and collect from the employers carrying their own
5 risk an assessment at the rate of two percent (2%) of the total
6 compensation for permanent total disability awards, permanent
7 partial disability awards and death benefits paid out during each
8 quarter of the calendar year by the employers. Such assessment
9 shall be payable by the employers and collected by the Oklahoma Tax
10 Commission according to the provisions of this section regarding
11 payment and collection of the assessment created in paragraph 1 of
12 this subsection.

13 C. It shall be the duty of the Oklahoma Tax Commission to
14 collect the payments provided for in this title. The Oklahoma Tax
15 Commission is hereby authorized to bring an action for the recovery
16 of any delinquent or unpaid payments required in this section. The
17 Oklahoma Tax Commission may also enforce payments by proceeding in
18 accordance with the provisions of Section 98 of this title.

19 D. The Oklahoma Tax Commission shall pay monthly to the State
20 Treasurer to the credit of the Multiple Injury Trust Fund all monies
21 collected under the provisions of this section, less the annual
22 amounts which shall be apportioned by the Oklahoma Tax Commission,
23 as follows; provided, however, if the Fund in any one month is
24

1 insufficient to make the required payments, the unpaid portion shall
2 be paid as soon as funds become available:

3 1. Five Million Five Hundred Thousand Dollars ~~(\$5,000,000.00)~~
4 (\$5,500,000.00) shall be payable each fiscal year in equal monthly
5 installments to the credit of the Workers' Compensation Commission
6 Revolving Fund established in Section 28.1 of this title ~~for the~~
7 ~~fiscal year ending June 30, 2016, Three Million Dollars~~
8 ~~(\$3,000,000.00) for the fiscal year ending June 30, 2017, and Four~~
9 ~~Million Dollars (\$4,000,000.00) for the fiscal year ending June 30,~~
10 ~~2020, and for all subsequent years to be used to implement the~~
11 ~~provisions of this title; and~~

12 2. ~~Four Million Dollars (\$4,000,000.00) shall be payable in~~
13 ~~equal monthly installments to the credit of the Workers'~~
14 ~~Compensation Administrative Fund established in Section 401.1 of~~
15 ~~this title for the fiscal year ending June 30, 2016, Three Million~~
16 ~~Five Hundred Thousand Dollars (\$3,500,000.00) for the fiscal year~~
17 ~~ending June 30, 2017, Three Million Five Hundred Thousand Dollars~~
18 ~~(\$3,500,000.00) for the fiscal year ending June 30, 2018, Three~~
19 ~~Million Dollars (\$3,000,000.00) for the fiscal year ending June 30,~~
20 ~~2019, One Million Seven Hundred Fifty Thousand Dollars~~
21 (\$1,750,000.00) shall be payable in equal monthly installments to
22 the credit of the Workers' Compensation Administrative Fund
23 established in Section 401.1 of this title for the fiscal year
24 ending June 30, 2020, One Million Seven Hundred Fifty Thousand

1 ~~Dollars (\$1,750,000.00) for the fiscal year ending June 30, 2022,~~
2 ~~and for all subsequent years during the existence of the Court of~~
3 ~~Existing Claims 2023, and Two Hundred Fifty Thousand Dollars~~
4 (\$250,000.00) payable in equal monthly installments to such Fund for
5 the fiscal year beginning July 1, 2023, and each subsequent fiscal
6 year.

7 Monies deposited in the Workers' Compensation Administrative
8 Fund shall be used by the Workers' Compensation Court of Existing
9 Claims to implement provisions provided for in this title. All
10 unencumbered funds remaining in the Workers' Compensation
11 Administration Fund on July 1, 2027, shall be transferred to the
12 State Treasurer to be returned to the Multiple Injury Trust Fund.

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

16 SECTION 2. This act shall become effective July 1, 2023.

17 SECTION 3. It being immediately necessary for the preservation
18 of the public peace, health or safety, an emergency is hereby
19 declared to exist, by reason whereof this act shall take effect and
20 be in full force from and after its passage and approval.

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22 59-1EX-50118 JM 05/23/23

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