

1 (1ST EXTRAORDINARY SESSION)
ENGROSSED HOUSE
2 BILL NO. 1028

By: Wallace and Martinez of the
House

3
4 and

5 Thompson (Roger) and Hall
of the Senate

6
7 An Act relating to the Administrative Workers'
8 Compensation Act; amending 85A O.S. 2021, Section
9 122, which relates to costs of administering act;
10 modifying distribution of certain funds; limiting
11 period of certain distribution; providing for return
of distributions on certain date; updating statutory
reference; providing an effective date; and declaring
an emergency.

12
13 BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

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

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

20 B. For the purpose of providing funds for the Workers'
21 Compensation Commission Revolving Fund, for the Workers'
22 Compensation Administrative Fund created in Section 401.1 of this
23 title, for the Multiple Injury Trust Fund created in Section 28 of
24

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

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

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

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

14 D. The Oklahoma Tax Commission shall pay monthly to the State
15 Treasurer to the credit of the Multiple Injury Trust Fund all monies
16 collected under the provisions of this section, less the annual
17 amounts which shall be apportioned by the Oklahoma Tax Commission,
18 as follows; provided, however, if the Fund in any one month is
19 insufficient to make the required payments, the unpaid portion shall
20 be paid as soon as funds become available:

21 1. Five Million Five Hundred Thousand Dollars ~~(\$5,000,000.00)~~
22 (\$5,500,000.00) shall be payable each fiscal year in equal monthly
23 installments to the credit of the Workers' Compensation Commission
24 Revolving Fund established in Section 28.1 of this title ~~for the~~

1 ~~fiscal year ending June 30, 2016, Three Million Dollars~~
2 ~~(\$3,000,000.00) for the fiscal year ending June 30, 2017, and Four~~
3 ~~Million Dollars (\$4,000,000.00) for the fiscal year ending June 30,~~
4 ~~2020, and for all subsequent years to be used to implement the~~
5 ~~provisions of this title; and~~

6 2. ~~Four Million Dollars (\$4,000,000.00) shall be payable in~~
7 ~~equal monthly installments to the credit of the Workers'~~
8 ~~Compensation Administrative Fund established in Section 401.1 of~~
9 ~~this title for the fiscal year ending June 30, 2016, Three Million~~
10 ~~Five Hundred Thousand Dollars (\$3,500,000.00) for the fiscal year~~
11 ~~ending June 30, 2017, Three Million Five Hundred Thousand Dollars~~
12 ~~(\$3,500,000.00) for the fiscal year ending June 30, 2018, Three~~
13 ~~Million Dollars (\$3,000,000.00) for the fiscal year ending June 30,~~
14 ~~2019, One Million Seven Hundred Fifty Thousand Dollars~~
15 (\$1,750,000.00) shall be payable in equal monthly installments to
16 the credit of the Workers' Compensation Administrative Fund
17 established in Section 401.1 of this title for the fiscal year
18 ending June 30, 2020, One Million Seven Hundred Fifty Thousand
19 Dollars (\$1,750,000.00) for the fiscal year ending June 30, 2022,
20 and for all subsequent years during the existence of the Court of
21 Existing Claims 2023, and Two Hundred Fifty Thousand Dollars
22 (\$250,000.00) payable in equal monthly installments to such Fund for
23 the fiscal year beginning July 1, 2023, and each subsequent fiscal
24 year.

1 Monies deposited in the Workers' Compensation Administrative
2 Fund shall be used by the Workers' Compensation Court of Existing
3 Claims to implement provisions provided for in this title. All
4 unencumbered funds remaining in the Workers' Compensation
5 Administration Fund on July 1, 2027, shall be transferred to the
6 State Treasurer to be returned to the Multiple Injury Trust Fund.

7 E. The refund provisions of Sections 227 through 229 of Title
8 68 of the Oklahoma Statutes shall be applicable to any payments made
9 pursuant to this section.

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

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

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1 Passed the House of Representatives the 24th day of May, 2023.

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3 _____
4 Presiding Officer of the House
5 of Representatives

6 Passed the Senate the ____ day of _____, 2023.

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9 Presiding Officer of the Senate