

House Bill 114

By: Representatives Bannister of the 77<sup>th</sup>, Allen of the 117<sup>th</sup>, Bunn of the 74<sup>th</sup>, Maddox of the 72<sup>nd</sup>, Howard of the 118<sup>th</sup> and others

A BILL TO BE ENTITLED  
AN ACT

1 To amend Article 9 of Chapter 9 of Title 34 of the Official Code of Georgia Annotated,  
2 relating to the Subsequent Injury Trust Fund, so as to change certain provisions relating to  
3 payment of assessments to the fund by insurers and self-insurers; to repeal conflicting laws;  
4 and for other purposes.

5 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

6 **SECTION 1.**

7 Article 9 of Chapter 9 of Title 34 of the Official Code of Georgia Annotated, relating to the  
8 Subsequent Injury Trust Fund, is amended by striking Code Section 34-9-358, relating to  
9 payment of assessments to the fund by insurers and self-insurers, and inserting in lieu thereof  
10 the following:

11 "34-9-358.

12 ~~Each insurer and self-insurer~~ Insurers and self-insurers under this chapter shall, under  
13 regulations prescribed by the board of trustees, make payments to the fund ~~in an amount~~  
14 that in total equal to that proportion of 175 percent of the total disbursement made from the  
15 fund during the preceding calendar year less the amount of the net assets in the fund as of  
16 December 31 of the preceding calendar year which the total workers' compensation claims  
17 paid by the insurer or self-insurer bears to the total workers' compensation claims paid by  
18 all insurers and self-insurers during the preceding calendar year. The total of such  
19 assessments shall be allocated to insurers and self-insurers, respectively, according to the  
20 proportion of total benefits paid during the preceding calendar year by insurers and  
21 self-insurers, respectively. Insurers shall collect such assessments from their policyholders  
22 through a surcharge based on written premium in the next calendar year following the  
23 fund's fiscal year end. Such premium surcharge shall be excluded from the definition of  
24 premium except for purposes of premium tax; provided, however, that an insurer may  
25 cancel any workers' compensation policy for nonpayment of such premium surcharge.  
26 Such premium surcharge shall not constitute an element of loss for the purpose of

1 establishing rates for workers' compensation insurance but shall be treated as a separate  
2 cost by the insurer for purposes of collection. The administrator is authorized to reduce or  
3 suspend assessments for the fund when a completed actuarial survey shows further  
4 assessments are not needed. An employer who has ceased to be a self-insurer prior to the  
5 end of the calendar year shall be liable to the fund for the assessment of the calendar year.  
6 The initial assessment of each insurer or self-insurer for the purpose of generating revenue  
7 to begin operation of the fund shall be in the amount of one-half of 1 percent of the  
8 workers' compensation premiums collected by the insurer for the preceding calendar years  
9 from an employer who is subject to this chapter or the equivalent of such in the case of a  
10 self-insurer."

11 **SECTION 2.**

12 All laws and parts of laws in conflict with this Act are repealed.