

House Bill 1015

By: Representative Werkheiser of the 157th

A BILL TO BE ENTITLED
AN ACT

1 To amend Article 10 of Chapter 9 of Title 34 of the Official Code of Georgia Annotated,
2 relating to the Self-insurers Guaranty Trust Fund regarding workers' compensation, so as to
3 revise certain funded levels of such fund; to repeal conflicting laws; and for other purposes.

4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

5 **SECTION 1.**

6 Article 10 of Chapter 9 of Title 34 of the Official Code of Georgia Annotated, relating to the
7 Self-insurers Guaranty Trust Fund regarding workers' compensation, is amended in Code
8 Section 34-9-386, relating to assessment of participants, liability of fund and participants for
9 claims, and revocation of participant's authority to be self-insured, by revising subsection (a)
10 as follows:

11 "(a)(1) The board of trustees shall, commencing January 1, 1991, assess each participant
12 in accordance with paragraph (2) of this subsection. Upon reaching a funded level of \$15
13 \$25 million net of all liabilities, all annual assessments against participants who have paid
14 at least three prior assessments shall cease except as specifically provided in paragraph
15 (4) of this subsection.

16 (2) Assessment for each new participant in the first calendar year of participation shall
17 be \$8,000.00. Thereafter, assessments shall be in accordance with paragraphs (3) and (4)
18 of this subsection.

19 (3) After the first calendar year of participation, the annual assessment of each
20 participant shall be made on the basis of a percentage of the total of indemnity and
21 medical benefits paid by, or on behalf of, the participant during the previous calendar
22 year. Except as provided in paragraph (2) of this subsection for the first calendar year of
23 participation and paragraph (4) of this subsection, a participant will be assessed 1.5
24 percent of the medical and indemnity benefits paid by that participant during the previous
25 calendar year or \$2,000.00, whichever is greater. The maximum amount of annual
26 assessments under this paragraph, not including those special assessments provided for
27 in paragraph (4) of this subsection, in any calendar year against a participant shall be
28 \$8,000.00.

29 (4) If the fund is reduced to an amount below ~~\$5~~ \$10 million net of all liabilities as the
30 result of the payment of claims, the administration of claims, or the costs of
31 administration of the fund, the board of trustees may levy a special assessment against
32 participants upon approval by the board, according to the same procedure for assessment
33 set forth in paragraph (3) of this subsection, in an amount sufficient to increase the funded
34 level to \$5 million net of all liabilities; provided, however, that such special assessment
35 in any calendar year against any one participant shall not exceed \$8,000.00.

36 (5) Funds obtained by such assessments shall be used only for the purposes set forth in
37 this article and shall be deposited upon receipt by the board of trustees into the fund. If
38 payment of any assessment, penalty, or fine made under this article is not made within
39 30 days of the sending of the notice to the participant, the board of trustees is authorized
40 to do any or all of the following:

41 (A) Levy fines or penalties;

- 42 (B) Proceed in court for judgment against the participant, including the amount of the
43 assessment, fines, penalties, the costs of suit, interest, and reasonable attorneys' fees;
44 (C) Proceed directly against the security pledged by the participant for the collection
45 of same; or
46 (D) Seek revocation of the participant's self-insured status."

47 **SECTION 2.**

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