

An Act

ENROLLED SENATE
BILL NO. 1333

By: Hall of the Senate

and

Caldwell (Trey) of the
House

An Act relating to workers' compensation; amending 85 O.S. 2021, Section 380, which relates to the Volunteer Firefighter Group Insurance Pool; establishing transfer of the Pool to the Office of Management and Enterprise Services (OMES); requiring certain funds to remain with CompSource Mutual Insurance Company; providing for purchase of certain insurance for certain volunteer fire departments; allowing OMES to contract with certain entity or hire personnel; construing provision; directing premium payment by certain state entities; increasing contributions to certain premium; establishing reporting and notice requirements; prohibiting certain financial information from use for certain bid determinations; providing for premium increases of certain amount per annum; updating statutory language; updating statutory reference; creating the Volunteer Firefighter Group Insurance Pool Revolving Fund; providing fund purpose; establishing source of fund; providing for codification; providing for recodification; providing an effective date; and declaring an emergency.

SUBJECT: Workers' compensation

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

SECTION 1. AMENDATORY 85 O.S. 2021, Section 380, is amended to read as follows:

Section 380. A. 1. ~~Volunteer~~ Except as provided for in subsections E through I of this section, volunteer fire departments organized pursuant to state law may obtain workers' compensation insurance for volunteer firefighters through the Volunteer Firefighter Group Insurance Pool pursuant to requirements established by CompSource Mutual Insurance Company which shall administer the Pool. For the premium set by CompSource Mutual Insurance Company, the state shall provide Fifty-five Dollars (\$55.00) per firefighter per year. Except as otherwise provided by subsection D of this section, the total amount paid by the state shall not exceed Three Hundred Twenty Thousand Three Hundred Thirty-eight Dollars (\$320,338.00) per year or so much thereof as may be necessary to fund the Volunteer Firefighter Group Insurance Pool.

2. CompSource Mutual Insurance Company shall collect the premium from state agencies, public trusts, and other instrumentalities of the state. Any funds received by CompSource Mutual Insurance Company from any state agency, public trust, or other instrumentality for purposes of workers' compensation insurance pursuant to this section shall be deposited to the credit of the Volunteer Firefighter Group Insurance Pool. CompSource Mutual Insurance Company shall collect premiums, pay claims, and provide for excess insurance as needed.

B. CompSource Mutual Insurance Company shall electronically report, annually, to the Governor, the Speaker of the ~~Oklahoma~~ House of Representatives, and the President Pro Tempore of the ~~State~~ Senate the number of enrollees in the Volunteer Firefighter Group Insurance Pool, and the amount of any anticipated surplus or deficiency of the Pool; and shall also provide to the Governor, the Speaker of the ~~Oklahoma~~ House of Representatives and the President Pro Tempore of the ~~State~~ Senate sixty (60) ~~days~~ days' advance notice of any proposed change in rates for the Volunteer Firefighter Group Insurance Pool.

C. The amount of claims paid, claim expenses, underwriting losses, loss ratio, or any other financial aspect of the Volunteer Firefighter Group Insurance Pool shall not be considered when determining or considering bids for the amount of any premiums, rates, or expenses owed by, or any discounts, rebates, dividends, or

other financial benefits owed to any other policyholder of CompSource Mutual Insurance Company.

D. Except as otherwise provided by law, any increase in the state payment rate for volunteer firefighters under the Volunteer Firefighter Group Insurance Pool shall not exceed five percent (5%) per annum. Any proposed change in rates for the Volunteer Firefighter Group Insurance Pool must be approved by the Board of Directors of CompSource Mutual Insurance Company with notice provided pursuant to subsection B of this section. CompSource Mutual Insurance Company shall not increase premiums for the Volunteer Firefighter Group Insurance Pool more than once per annum.

E. 1. The provisions of subsections A through D of this section shall apply only to workers' compensation claims for volunteer firefighters incurred prior to the effective date of this act.

2. Not later than the effective date of this act, the Volunteer Firefighter Group Insurance Pool shall be transferred to the Office of Management and Enterprise Services Comprehensive Professional Risk Management Program. Provided, existing reserves from the Pool shall remain with CompSource Mutual Insurance Company for the purpose of managing claims incurred prior to the effective date of this act. All claims incurred on and after the effective date of this act shall be administered by the Office of Management and Enterprise Services (OMES).

3. OMES may contract with a third-party administrator or hire not more than two full-time personnel for the purposes of administering the Pool.

4. Nothing in this section shall be construed to permit OMES to administer workers' compensation to a paid fire department as such term is defined in Section 29-104.1 of Title 11 of the Oklahoma Statutes.

F. 1. Volunteer fire departments organized pursuant to state law may obtain workers' compensation insurance for volunteer firefighters through the Volunteer Firefighter Group Insurance Pool pursuant to requirements established by the Office of Management and

Enterprise Services Comprehensive Professional Risk Management Program.

2. OMES shall collect a premium of One Hundred Twenty Dollars (\$120.00) per firefighter per year from state agencies, public trusts, and other instrumentalities of the state. Any funds received by OMES from any state agency, public trust, or other instrumentality for purposes of workers' compensation insurance pursuant to this section shall be deposited to the credit of the Volunteer Firefighter Group Insurance Pool. OMES shall collect premiums, pay claims, and provide for excess insurance as needed.

G. OMES shall electronically report, annually, to the Governor, the Speaker of the House of Representatives, and the President Pro Tempore of the Senate the number of enrollees in the Volunteer Firefighter Group Insurance Pool, and the amount of any anticipated surplus or deficiency of the Pool; and shall also provide to the Governor, the Speaker of the House of Representatives, and the President Pro Tempore of the Senate sixty (60) days' advance notice of any proposed change in rates for the Volunteer Firefighter Group Insurance Pool.

H. The amount of claims paid, claim expenses, underwriting losses, loss ratio, or any other financial aspect of the Volunteer Firefighter Group Insurance Pool shall not be considered when determining or considering bids for the amount of any premiums, rates, or expenses owed by, or any discounts, rebates, dividends, or other financial benefits owed to any other policyholder of OMES.

I. Except as otherwise provided by law, any increase in the state payment rate for volunteer firefighters under the Volunteer Firefighter Group Insurance Pool shall not exceed five percent (5%) per annum. Any proposed change in rates for the Volunteer Firefighter Group Insurance Pool must be approved by the Director of the Office of Management and Enterprise Services with notice provided pursuant to subsection G of this section. OMES shall not increase premiums for the Volunteer Firefighter Group Insurance Pool more than once per annum.

J. For purposes of this section, the term "volunteer fire departments" includes those volunteer fire departments which have authorized voluntary or uncompensated workers rendering services as

firefighters and are created by statute pursuant to Section 592 of Title 18 of the Oklahoma Statutes, Sections 29-201 through ~~29-204~~ 29-206 of Title 11 of the Oklahoma Statutes, and those defined by Section 351 of Title 19 of the Oklahoma Statutes.

SECTION 2. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 85.71 of Title 74, unless there is created a duplication in numbering, reads as follows:

There is hereby created in the State Treasury a revolving fund for the Office of Management and Enterprise Services (OMES) to be designated the "Volunteer Firefighter Group Insurance Pool Revolving Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of all monies received by OMES from appropriations provided for the purpose of administering the Volunteer Firefighter Group Insurance Pool in the event that no other funds are available. All monies accruing to the credit of the fund are hereby appropriated and may be budgeted and expended by OMES for the purpose provided for in this section. Expenditures from the fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of the Office of Management and Enterprise Services for approval and payment.

SECTION 3. RECODIFICATION 85 O.S. 2021, Section 380, as amended by Section 1 of this act, shall be recodified as Section 85.70 of Title 74 of the Oklahoma Statutes, unless there is created a duplication in numbering.

SECTION 4. This act shall become effective July 1, 2024.

SECTION 5. It being immediately necessary for the preservation of the public peace, health or safety, an emergency is hereby declared to exist, by reason whereof this act shall take effect and be in full force from and after its passage and approval.

Passed the Senate the 5th day of March, 2024.

Presiding Officer of the Senate

Passed the House of Representatives the 25th day of April, 2024.

Presiding Officer of the House
of Representatives

OFFICE OF THE GOVERNOR

Received by the Office of the Governor this _____

day of _____, 20_____, at _____ o'clock _____ M.

By: _____

Approved by the Governor of the State of Oklahoma this _____

day of _____, 20_____, at _____ o'clock _____ M.

Governor of the State of Oklahoma

OFFICE OF THE SECRETARY OF STATE

Received by the Office of the Secretary of State this _____

day of _____, 20_____, at _____ o'clock _____ M.

By: _____