

6978

I N S E N A T E

April 18, 2012

Introduced by Sen. SEWARD -- (at request of the Department of Financial Services) -- read twice and ordered printed, and when printed to be committed to the Committee on Insurance

AN ACT to amend the insurance law, in relation to workers' compensation rate service organizations; and to amend chapter 11 of the laws of 2008, amending the workers' compensation law, the insurance law, the volunteer ambulance workers' benefit law and the volunteer firefighters' benefit law, relating to rates for workers' compensation insurance and setting forth conditions for a workers' compensation rate service organization, in relation to the effectiveness thereof

THE PEOPLE OF THE STATE OF NEW YORK, REPRESENTED IN SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

1 Section 1. Subsection (e) of section 2305 of the insurance law, as
2 amended by chapter 11 of the laws of 2008, is amended to read as
3 follows:
4 (e) The superintendent: (1) by regulation may, in lieu of the waiting
5 period set forth in subsection (b) of this section, require workers'
6 compensation insurance rate filings to be specifically approved before
7 they become effective; and (2) shall hold a public hearing if a rate
8 service organization makes a loss cost filing for workers' compensation
9 that is an increase of seven percent or more over the approved loss
10 costs from the prior year. Until June second, two thousand [thirteen]
11 EIGHTEEN, a rate service organization for workers' compensation shall
12 make a loss cost filing every year on or before June first, or such
13 earlier date as is set by the superintendent.
14 S 2. Subsection (s) of section 2313 of the insurance law, as amended
15 by chapter 11 of the laws of 2008, is amended to read as follows:
16 (s) Notwithstanding any other provision of this article, no rate
17 service organization may file rates for workers' compensation insurance
18 after February first, two thousand eight, but a rate service organiza-
19 tion may file loss costs or other statistical information, including
20 rating plans, until June second, two thousand [thirteen] EIGHTEEN.
21 Notwithstanding subsection (j) of this section, any such rate service

EXPLANATION--Matter in *ITALICS* (underscored) is new; matter in brackets
[] is old law to be omitted.

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1 organization shall nonetheless be required to be licensed pursuant to
2 this section.

3 S 3. Paragraph 1 of subsection (t) of section 2313 of the insurance
4 law, as added by chapter 11 of the laws of 2008, is amended to read as
5 follows:

6 (1) The governing body of a workers' compensation rate service organ-
7 ization shall be comprised of nine voting members. Four members shall
8 represent insurers authorized to write workers' compensation insurance
9 in this state, and shall be selected in such manner as is determined by
10 the members of the rate service organization. One member of the govern-
11 ing body shall be a representative of the state insurance fund. [The]
12 EACH OF THE remaining four members of the governing body shall serve for
13 [terms] A TERM of two years AND UNTIL HIS OR HER SUCCESSOR SHALL HAVE
14 BEEN APPOINTED AND APPROVED, PROVIDED THAT THE APPOINTING ENTITY
15 APPOINTS A SUCCESSOR MEMBER WITHIN ONE HUNDRED TWENTY DAYS OF THE EXPI-
16 RATION OF THE TERM OF OFFICE, and shall not be employed by, or serve as
17 [officers] AN OFFICER or [directors] DIRECTOR of, [insurers] AN INSURER
18 authorized to write workers' compensation insurance in this state, or
19 any parent, subsidiary, or affiliate thereof. One such member of the
20 governing body shall be appointed by the superintendent. The other three
21 such members shall be appointed subject to the approval of the super-
22 intendent by the following: [(i)] (A) the workers' compensation board;
23 [(ii)] (B) the Business Council of New York State, Inc.; and [(iii)] (C)
24 the American Federation of Labor - Congress of Industrial Organizations
25 of New York State. Any vacancy on the governing body shall be filled in
26 the same manner as the initial appointment. The governing body shall
27 select a chief executive officer who shall serve at the pleasure of the
28 governing body and whose terms and conditions of employment shall be
29 approved by the governing body. No restriction in this subsection shall
30 apply if compliance is prevented by the failure of any appointing
31 authority to make an appointment, or of the superintendent to approve
32 such appointment.

33 S 4. Section 16 of chapter 11 of the laws of 2008 amending the work-
34 ers' compensation law, the insurance law, the volunteer ambulance work-
35 ers' benefit law and the volunteer firefighters' benefit law, relating
36 to rates for workers' compensation insurance and setting forth condi-
37 tions for a workers' compensation rate service organization, is amended
38 to read as follows:

39 S 16. This act shall take effect February 1, 2008; provided that the
40 amendments to paragraph 2 of subsection (a) of section 2316 of the
41 insurance law made by section eleven of this act shall take effect on
42 the same date that section 68 of chapter 6 of the laws of 2007 takes
43 effect; provided further that the amendments to section 2316 of the
44 insurance law made by section eleven of this act shall not affect the
45 expiration of such section pursuant to section 2342 of the insurance law
46 and shall be deemed expired therewith; and provided further that section
47 ten of this act shall expire and be deemed repealed June 2, [2013] 2018.

48 S 5. This act shall take effect immediately; provided, however, that
49 the amendments to paragraph 1 of subsection (t) of section 2313 of the
50 insurance law made by section three of this act shall not affect the
51 repeal of such subsection and shall be deemed repealed therewith.