S T A T E O F N E W Y O R K

5979

2015-2016 Regular Sessions

I N S E N A T E

June 15, 2015

Introduced by COMMITTEE ON RULES -- read twice and ordered printed, and when printed to be committed to the Committee on Rules

AN ACT to amend the workers' compensation law, in relation to an interim assessment on members of a defaulted group self-insurer

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

Section 1. Subparagraph (b) of paragraph 7 of subdivision 3-a of section 50 of the workers' compensation law, as amended by section 4 of part R of chapter 56 of the laws of 2010, is amended to read as follows:

(b) The chair shall levy an INTERIM assessment on the members of a defaulted group self-insurer within one hundred twenty days of such default or of the effective date of the chapter of the laws of two thousand eight which amended this subdivision, whichever is later, and against the members of any other terminated group self-insurer when necessary, for such an amount as he or she determines to be necessary to discharge all liabilities of the group self-insurer, including the reasonable cost of liquidation such as claims administration costs, actuarial and accounting services, and the value of future assessments on members of such group self-insurer AS THEY ARE KNOWN AT THE TIME OF THE ASSESSMENT. The chair may impose subsequent AND FURTHER deficit assessments, or return funds to members, to adjust the moneys collected to reflect the time of participation, and percent of group self-insurer liabilities for such time. THE TIME LIMITATIONS INCLUDED IN THE FIRST SENTENCE OF THIS SUBPARAGRAPH DO NOT APPLY TO THE IMPOSITION OF ANY SUBSEQUENT AND FURTHER DEFICIT ASSESSMENTS THAT EXCEED THE INTERIM ASSESSMENT MADE BY THE CHAIR AGAINST MEMBERS OF A DEFAULTED GROUP INSURER OR MEMBERS OF ANY OTHER TERMINATED GROUP SELF-INSURER. Notwithstanding any such action by the chair, each member of the group self-insurer shall remain jointly and severally responsible for all liabilities provided by this chapter including but not limited to outstanding and estimated future liabilities and assessments. Further, separate and

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

LBD11635-02-5

apart from, and in addition to a member's joint and several liability and notwithstanding any payments made by any other members of the group self-insurer pursuant to this subparagraph, in the event that a member neglects or fails to pay an assessment levied pursuant to this subparagraph, the member shall be deemed in default in the payment of compensation. Such defaulting member is subject to the enforcement provisions of section twenty-six of this chapter for the payment of all compensation relative to awards due and owing on claims filed by the employees of such member that have neither been paid by the member or the group self-insurer. Nothing in this paragraph shall prevent the chair from offering payment plans or settling claims against members of any group self-insurer as necessary to facilitate collection.

S 2. This act shall take effect immediately.