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

7379

I N S E N A T E

April 22, 2016

Introduced by Sen. MARTINS -- read twice and ordered printed, and when printed to be committed to the Committee on Labor

AN ACT to amend the workers' compensation law, in relation to prohibiting the transfer of state insurance fund balances to the general fund

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

Section 1. The workers' compensation law is amended by adding a new section 101 to read as follows:

S 101. PROHIBITING THE TRANSFER OF STATE INSURANCE FUND BALANCES. NOTWITHSTANDING ANY OTHER PROVISION OF LAW, DIVERSION OF FUNDS DEDICATED TO THE STATE INSURANCE FUND, HEREINAFTER REFERRED TO AS THE FUND, IS PROHIBITED.

1. ALL STATE OFFICERS WITH RESPONSIBILITY FOR THE CUSTODY OR INVESTMENT OF THE FUND OR OF ITS ASSETS SHALL BE PROHIBITED FROM DIVERTING FUND ASSETS INTO THE GENERAL FUND OF THE STATE OR INTO ANY OTHER FUND MAINTAINED FOR THE SUPPORT OF ANOTHER GOVERNMENTAL PURPOSE. NO DIVERSION OF FUNDS CAN OCCUR CONTRARY TO THIS SECTION BY AN ADMINISTRATIVE ACT OF THE STATE OFFICERS WITH RESPONSIBILITY FOR THE CUSTODY OR INVESTMENT OF THE FUND, OR ANY OTHER PERSON IN THE EXECUTIVE BRANCH UNLESS A STATUTE IS ENACTED INTO LAW AUTHORIZING A DIVERSION THAT WOULD OTHERWISE BE PROHIBITED BY THIS SECTION.

2. IF ANY DIVERSION OF FUND ASSETS OCCURS BY PASSAGE OF LEGISLATION DURING A REGULAR OR EXTRAORDINARY SESSION OF THE LEGISLATURE OR THE BUDGET, DIVERTING FUNDS SHALL INCLUDE A DIVERSION IMPACT STATEMENT WHICH INCLUDES THE FOLLOWING INFORMATION:

(A) THE AMOUNT OF THE DIVERSION FROM THE FUND;

(B) THE AMOUNT DIVERTED EXPRESSED AS CURRENT POLICY PREMIUMS;

(C) THE CUMULATIVE AMOUNT OF DIVERSION FROM THE FUND SINCE INCEPTION;

(D) THE DATE OR DATES WHEN THE DIVERSION IS TO OCCUR; AND

(E) A DETAILED ESTIMATE OF THE IMPACT OF DIVERSION THE FUND WILL HAVE ON THE PREMIUMS OF POLICYHOLDERS.

S 2. This act shall take effect immediately.

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

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