

HB 1917.E - DIGEST

(DIGEST AS ENACTED)

Establishes procedures to improve stability in industrial insurance premium rates.

Provides that, after the first report is issued by the state auditor under section 1, chapter ... (Substitute House Bill No. 1856 or Substitute Senate Bill No. 5614), Laws of 2005, the workers' compensation advisory committee shall review the report and, as the committee deems appropriate, may make recommendations to the department concerning: (1) The level or levels of a contingency reserve that are appropriate to maintain actuarial solvency of the accident and medical aid funds, limit premium rate fluctuations, and account for economic conditions; and

(2) When surplus funds exist in the trust funds, the circumstances under which the department should give premium dividends, or similar measures, or temporarily reduce rates below the rates fixed under this act, including any recommendations regarding notifications that should be given before taking the action.

Provides that, following subsequent reports issued by the state auditor under section 1, chapter ... (Substitute House Bill No. 1856 or Substitute Senate Bill No. 5614), Laws of 2005, the workers' compensation advisory committee may, as it deems appropriate, update its recommendations to the department on the matters covered under this act.