

ENGROSSED SENATE BILL No. 224

DIGEST OF SB 224 (Updated February 19, 1998 5:18 pm - DI 97)

Citations Affected: IC 6-3; IC 22-3; IC 27-1.

Synopsis: Political subdivision risk management commission. Authorizes the Indiana political subdivision risk management commission to: (1) close the political subdivision risk management fund to any new members; (2) decline to renew the membership of the political subdivisions that are members of the fund; (3) cease operating the fund; and (4) deplete the balance of the fund through the payment of liabilities of former members and, at the discretion of the commission and with the commissioner's approval, the pro rata return to former members of assessments paid by the former members.

(Continued next page)

Effective: April 1, 1998; July 1, 1998.

Worman, Lewis, Craycraft, O'Day

(HOUSE SPONSORS — PORTER, M. SMITH)

January 6, 1998, read first time and referred to Committee on Insurance and Interstate Cooperation.

January 15, 1998, reported favorably — Do Pass.

January 20, 1998, read second time, ordered engrossed.

January 21, 1998, engrossed.

January 27, 1998, read third time, passed. Yeas 50, nays 0.

HOUSE ACTION

January 29, 1998, read first time and referred to Committee on Insurance, Corporations and Small Business.

February 16, 1998, amended, reported — Do Pass.

February 19, 1998, read second time, amended, ordered engrossed.

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Authorizes the commission, after any or all of these actions, and with the approval of the insurance commissioner, to resume using the fund to pay the liabilities of members of the fund. Makes changes to the independent contractor portion of worker's compensation law. Authorizes the use of the department of insurance fund for staffing to ensure that the department of insurance is able to maintain accreditation by national association of insurance commissioners.

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Reprinted
February 20, 1998

Second Regular Session 110th General Assembly (1998)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 1997 General Assembly.

ENGROSSED SENATE BILL No. 224

A BILL FOR AN ACT to amend the Indiana Code concerning insurance.

Be it enacted by the General Assembly of the State of Indiana:

- 1 SECTION 1. IC 22-3-5-6 IS AMENDED TO READ AS FOLLOWS
2 [EFFECTIVE APRIL 1, 1998]: Sec. 6. (a) The worker's compensation
3 supplemental administrative fund is established for the purpose of
4 carrying out the administrative purposes and functions of the worker's
5 compensation board. The fund consists of fees collected from
6 employers under sections 1 through 2 of this chapter. ~~and from fees~~
7 ~~collected under IC 22-3-2-14.5 and IC 22-3-7-34.5.~~ The fund shall be
8 administered by the worker's compensation board. ~~Money in the fund~~
9 ~~is annually appropriated to the worker's compensation board for its use~~
10 ~~in carrying out the administrative purposes and functions of the~~
11 ~~worker's compensation board.~~
12 (b) The money in the fund is not to be used to replace funds
13 otherwise appropriated to the board. Money in the fund at the end of
14 the state fiscal year does not revert to the state general fund.
15 SECTION 2. IC 22-3-6-1, AS AMENDED BY P.L.258-1997(ss),

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1 SECTION 12, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
2 APRIL 1, 1998]: Sec. 1. In IC 22-3-2 through IC 22-3-6, unless the
3 context otherwise requires:

4 (a) "Employer" includes the state and any political subdivision, any
5 municipal corporation within the state, any individual or the legal
6 representative of a deceased individual, firm, association, limited
7 liability company, or corporation or the receiver or trustee of the same,
8 using the services of another for pay. If the employer is insured, the
9 term includes the employer's insurer so far as applicable. However, the
10 inclusion of an employer's insurer within this definition does not allow
11 an employer's insurer to avoid payment for services rendered to an
12 employee with the approval of the employer.

13 (b) "Employee" means every person, including a minor, in the
14 service of another, under any contract of hire or apprenticeship, written
15 or implied, except one whose employment is both casual and not in the
16 usual course of the trade, business, occupation, or profession of the
17 employer.

18 (1) An executive officer elected or appointed and empowered in
19 accordance with the charter and bylaws of a corporation, other
20 than a municipal corporation or governmental subdivision or a
21 charitable, religious, educational, or other nonprofit corporation,
22 is an employee of the corporation under IC 22-3-2 through
23 IC 22-3-6.

24 (2) An executive officer of a municipal corporation or other
25 governmental subdivision or of a charitable, religious,
26 educational, or other nonprofit corporation may, notwithstanding
27 any other provision of IC 22-3-2 through IC 22-3-6, be brought
28 within the coverage of its insurance contract by the corporation by
29 specifically including the executive officer in the contract of
30 insurance. The election to bring the executive officer within the
31 coverage shall continue for the period the contract of insurance is
32 in effect, and during this period, the executive officers thus
33 brought within the coverage of the insurance contract are
34 employees of the corporation under IC 22-3-2 through IC 22-3-6.

35 (3) Any reference to an employee who has been injured, when the
36 employee is dead, also includes the employee's legal
37 representatives, dependents, and other persons to whom
38 compensation may be payable.

39 (4) An owner of a sole proprietorship may elect to include the
40 owner as an employee under IC 22-3-2 through IC 22-3-6 if the
41 owner is actually engaged in the proprietorship business. If the
42 owner makes this election, the owner must serve upon the owner's



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1 insurance carrier and upon the board written notice of the
 2 election. No owner of a sole proprietorship may be considered an
 3 employee under IC 22-3-2 through IC 22-3-6 until the notice has
 4 been received. ~~If the owner of a sole proprietorship is an~~
 5 ~~independent contractor in the construction trades and does not~~
 6 ~~make the election provided under this subdivision, the owner~~
 7 ~~must obtain an affidavit of exemption under IC 22-3-2-14.5.~~

8 (5) A partner in a partnership may elect to include the partner as
 9 an employee under IC 22-3-2 through IC 22-3-6 if the partner is
 10 actually engaged in the partnership business. If a partner makes
 11 this election, the partner must serve upon the partner's insurance
 12 carrier and upon the board written notice of the election. No
 13 partner may be considered an employee under IC 22-3-2 through
 14 IC 22-3-6 until the notice has been received. ~~If a partner in a~~
 15 ~~partnership is an independent contractor in the construction trades~~
 16 ~~and does not make the election provided under this subdivision,~~
 17 ~~the partner must obtain an affidavit of exemption under~~
 18 ~~IC 22-3-2-14.5.~~

19 (6) Real estate professionals are not employees under IC 22-3-2
 20 through IC 22-3-6 if:

- 21 (A) they are licensed real estate agents;
- 22 (B) substantially all their remuneration is directly related to
- 23 sales volume and not the number of hours worked; and
- 24 (C) they have written agreements with real estate brokers
- 25 stating that they are not to be treated as employees for tax
- 26 purposes.

27 ~~(7) A person is an independent contractor in the construction~~
 28 ~~trades and not an employee under IC 22-3-2 through IC 22-3-6 if~~
 29 ~~the person is an independent contractor under the guidelines of~~
 30 ~~the United States Internal Revenue Service.~~

31 ~~(8) (7)~~ (7) An owner-operator that provides a motor vehicle and the
 32 services of a driver under a written contract that is subject to
 33 IC 8-2.1-24-23, 45 IAC 16-1-13, or 49 CFR 1057, to a motor
 34 carrier is not an employee of the motor carrier for purposes of
 35 IC 22-3-2 through IC 22-3-6. The owner-operator may elect to be
 36 covered and have the owner-operator's drivers covered under a
 37 worker's compensation insurance policy or authorized
 38 self-insurance that insures the motor carrier if the owner-operator
 39 pays the premiums as requested by the motor carrier. An election
 40 by an owner-operator under this subdivision does not terminate
 41 the independent contractor status of the owner-operator for any
 42 purpose other than the purpose of this subdivision.



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1 ~~(9)~~ **(8)** A member or manager in a limited liability company may
 2 elect to include the member or manager as an employee under
 3 IC 22-3-2 through IC 22-3-6 if the member or manager is actually
 4 engaged in the limited liability company business. If a member or
 5 manager makes this election, the member or manager must serve
 6 upon the member's or manager's insurance carrier and upon the
 7 board written notice of the election. A member or manager may
 8 not be considered an employee under IC 22-3-2 through IC 22-3-6
 9 until the notice has been received.

10 (c) "Minor" means an individual who has not reached seventeen
 11 (17) years of age.

12 (1) Unless otherwise provided in this subsection, a minor
 13 employee shall be considered as being of full age for all purposes
 14 of IC 22-3-2 through IC 22-3-6.

15 (2) If the employee is a minor who, at the time of the accident, is
 16 employed, required, suffered, or permitted to work in violation of
 17 IC 20-8.1-4-25, the amount of compensation and death benefits,
 18 as provided in IC 22-3-2 through IC 22-3-6, shall be double the
 19 amount which would otherwise be recoverable. The insurance
 20 carrier shall be liable on its policy for one-half (1/2) of the
 21 compensation or benefits that may be payable on account of the
 22 injury or death of the minor, and the employer shall be liable for
 23 the other one-half (1/2) of the compensation or benefits. If the
 24 employee is a minor who is not less than sixteen (16) years of age
 25 and who has not reached seventeen (17) years of age and who at
 26 the time of the accident is employed, suffered, or permitted to
 27 work at any occupation which is not prohibited by law, this
 28 subdivision does not apply.

29 (3) A minor employee who, at the time of the accident, is a
 30 student performing services for an employer as part of an
 31 approved program under IC 20-10.1-6-7 shall be considered a
 32 full-time employee for the purpose of computing compensation
 33 for permanent impairment under IC 22-3-3-10. The average
 34 weekly wages for such a student shall be calculated as provided
 35 in subsection (d)(4).

36 (4) The rights and remedies granted in this subsection to a minor
 37 under IC 22-3-2 through IC 22-3-6 on account of personal injury
 38 or death by accident shall exclude all rights and remedies of the
 39 minor, the minor's parents, or the minor's personal
 40 representatives, dependents, or next of kin at common law,
 41 statutory or otherwise, on account of the injury or death. This
 42 subsubsection does not apply to minors who have reached seventeen

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- 1 (17) years of age.
- 2 (d) "Average weekly wages" means the earnings of the injured
3 employee in the employment in which the employee was working at the
4 time of the injury during the period of fifty-two (52) weeks
5 immediately preceding the date of injury, divided by fifty-two (52),
6 except as follows:
- 7 (1) If the injured employee lost seven (7) or more calendar days
8 during this period, although not in the same week, then the
9 earnings for the remainder of the fifty-two (52) weeks shall be
10 divided by the number of weeks and parts thereof remaining after
11 the time lost has been deducted.
- 12 (2) Where the employment prior to the injury extended over a
13 period of less than fifty-two (52) weeks, the method of dividing
14 the earnings during that period by the number of weeks and parts
15 thereof during which the employee earned wages shall be
16 followed, if results just and fair to both parties will be obtained.
17 Where by reason of the shortness of the time during which the
18 employee has been in the employment of the employee's employer
19 or of the casual nature or terms of the employment it is
20 impracticable to compute the average weekly wages, as defined
21 in this subsection, regard shall be had to the average weekly
22 amount which during the fifty-two (52) weeks previous to the
23 injury was being earned by a person in the same grade employed
24 at the same work by the same employer or, if there is no person so
25 employed, by a person in the same grade employed in the same
26 class of employment in the same district.
- 27 (3) Wherever allowances of any character made to an employee
28 in lieu of wages are a specified part of the wage contract, they
29 shall be deemed a part of his earnings.
- 30 (4) In computing the average weekly wages to be used in
31 calculating an award for permanent impairment under
32 IC 22-3-3-10 for a student employee in an approved training
33 program under IC 20-10.1-6-7, the following formula shall be
34 used. Calculate the product of:
- 35 (A) the student employee's hourly wage rate; multiplied by
36 (B) forty (40) hours.
- 37 The result obtained is the amount of the average weekly wages for
38 the student employee.
- 39 (e) "Injury" and "personal injury" mean only injury by accident
40 arising out of and in the course of the employment and do not include
41 a disease in any form except as it results from the injury.
- 42 (f) "Billing review service" refers to a person or an entity that

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1 reviews a medical service provider's bills or statements for the purpose
 2 of determining pecuniary liability. The term includes an employer's
 3 worker's compensation insurance carrier if the insurance carrier
 4 performs such a review.

5 (g) "Billing review standard" means the data used by a billing
 6 review service to determine pecuniary liability.

7 (h) "Community" means a geographic service area based on zip
 8 code districts defined by the United States Postal Service according to
 9 the following groupings:

10 (1) The geographic service area served by zip codes with the first
 11 three (3) digits 463 and 464.

12 (2) The geographic service area served by zip codes with the first
 13 three (3) digits 465 and 466.

14 (3) The geographic service area served by zip codes with the first
 15 three (3) digits 467 and 468.

16 (4) The geographic service area served by zip codes with the first
 17 three (3) digits 469 and 479.

18 (5) The geographic service area served by zip codes with the first
 19 three (3) digits 460, 461 (except 46107), and 473.

20 (6) The geographic service area served by the 46107 zip code and
 21 zip codes with the first three (3) digits 462.

22 (7) The geographic service area served by zip codes with the first
 23 three (3) digits 470, 471, 472, 474, and 478.

24 (8) The geographic service area served by zip codes with the first
 25 three (3) digits 475, 476, and 477.

26 (i) "Medical service provider" refers to a person or an entity that
 27 provides medical services, treatment, or supplies to an employee under
 28 IC 22-3-2 through IC 22-3-6.

29 (j) "Pecuniary liability" means the responsibility of an employer or
 30 the employer's insurance carrier for the payment of the charges for each
 31 specific service or product for human medical treatment provided
 32 under IC 22-3-2 through IC 22-3-6 in a defined community, equal to or
 33 less than the charges made by medical service providers at the eightieth
 34 percentile in the same community for like services or products.

35 SECTION 3. IC 22-3-7-9, AS AMENDED BY P.L.258-1997(ss),
 36 SECTION 13, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 37 APRIL 1, 1998]: Sec. 9. (a) As used in this chapter, "employer"
 38 includes the state and any political subdivision, any municipal
 39 corporation within the state, any individual or the legal representative
 40 of a deceased individual, firm, association, limited liability company,
 41 or corporation or the receiver or trustee of the same, using the services
 42 of another for pay. If the employer is insured, the term includes his



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1 insurer so far as applicable. However, the inclusion of an employer's
 2 insurer within this definition does not allow an employer's insurer to
 3 avoid payment for services rendered to an employee with the approval
 4 of the employer.

5 (b) As used in this chapter, "employee" means every person,
 6 including a minor, in the service of another, under any contract of hire
 7 or apprenticeship written or implied, except one whose employment is
 8 both casual and not in the usual course of the trade, business,
 9 occupation, or profession of the employer. For purposes of this chapter
 10 the following apply:

11 (1) Any reference to an employee who has suffered disablement,
 12 when the employee is dead, also includes his legal representative,
 13 dependents, and other persons to whom compensation may be
 14 payable.

15 (2) An owner of a sole proprietorship may elect to include himself
 16 as an employee under this chapter if he is actually engaged in the
 17 proprietorship business. If the owner makes this election, he must
 18 serve upon his insurance carrier and upon the board written notice
 19 of the election. No owner of a sole proprietorship may be
 20 considered an employee under this chapter unless the notice has
 21 been received. ~~If the owner of a sole proprietorship is an~~
 22 ~~independent contractor in the construction trades and does not~~
 23 ~~make the election provided under this subdivision, the owner~~
 24 ~~must obtain an affidavit of exemption under IC 22-3-7-34.5.~~

25 (3) A partner in a partnership may elect to include himself as an
 26 employee under this chapter if he is actually engaged in the
 27 partnership business. If a partner makes this election, he must
 28 serve upon his insurance carrier and upon the board written notice
 29 of the election. No partner may be considered an employee under
 30 this chapter until the notice has been received. ~~If a partner in a~~
 31 ~~partnership is an independent contractor in the construction trades~~
 32 ~~and does not make the election provided under this subdivision,~~
 33 ~~the partner must obtain an affidavit of exemption under~~
 34 ~~IC 22-3-7-34.5.~~

35 (4) Real estate professionals are not employees under this chapter
 36 if:

37 (A) they are licensed real estate agents;

38 (B) substantially all their remuneration is directly related to
 39 sales volume and not the number of hours worked; and

40 (C) they have written agreements with real estate brokers
 41 stating that they are not to be treated as employees for tax
 42 purposes.



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1 ~~(5)~~ A person is an independent contractor in the construction
 2 trades and not an employee under this chapter if the person is an
 3 independent contractor under the guidelines of the United States
 4 Internal Revenue Service.

5 ~~(6)~~ (5) An owner-operator that provides a motor vehicle and the
 6 services of a driver under a written contract that is subject to
 7 IC 8-2.1-24-23, 45 IAC 16-1-13, or 49 CFR 1057, to a motor
 8 carrier is not an employee of the motor carrier for purposes of this
 9 chapter. The owner-operator may elect to be covered and have the
 10 owner-operator's drivers covered under a worker's compensation
 11 insurance policy or authorized self-insurance that insures the
 12 motor carrier if the owner-operator pays the premiums as
 13 requested by the motor carrier. An election by an owner-operator
 14 under this subdivision does not terminate the independent
 15 contractor status of the owner-operator for any purpose other than
 16 the purpose of this subdivision.

17 (c) As used in this chapter, "minor" means an individual who has
 18 not reached seventeen (17) years of age. A minor employee shall be
 19 considered as being of full age for all purposes of this chapter.
 20 However, if the employee is a minor who, at the time of the last
 21 exposure, is employed, required, suffered, or permitted to work in
 22 violation of the child labor laws of this state, the amount of
 23 compensation and death benefits, as provided in this chapter, shall be
 24 double the amount which would otherwise be recoverable. The
 25 insurance carrier shall be liable on its policy for one-half (1/2) of the
 26 compensation or benefits that may be payable on account of the
 27 disability or death of the minor, and the employer shall be wholly liable
 28 for the other one-half (1/2) of the compensation or benefits. If the
 29 employee is a minor who is not less than sixteen (16) years of age and
 30 who has not reached seventeen (17) years of age, and who at the time
 31 of the last exposure is employed, suffered, or permitted to work at any
 32 occupation which is not prohibited by law, the provisions of this
 33 subsection prescribing double the amount otherwise recoverable do not
 34 apply. The rights and remedies granted to a minor under this chapter on
 35 account of disease shall exclude all rights and remedies of the minor,
 36 his parents, his personal representatives, dependents, or next of kin at
 37 common law, statutory or otherwise, on account of any disease.

38 (d) This chapter does not apply to casual laborers as defined in
 39 subsection (b), nor to farm or agricultural employees, nor to household
 40 employees, nor to railroad employees engaged in train service as
 41 engineers, firemen, conductors, brakemen, flagmen, baggagemen, or
 42 foremen in charge of yard engines and helpers assigned thereto, nor to



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1 their employers with respect to these employees. Also, this chapter
2 does not apply to employees or their employers with respect to
3 employments in which the laws of the United States provide for
4 compensation or liability for injury to the health, disability, or death by
5 reason of diseases suffered by these employees.

6 (e) As used in this chapter, "disablement" means the event of
7 becoming disabled from earning full wages at the work in which the
8 employee was engaged when last exposed to the hazards of the
9 occupational disease by the employer from whom he claims
10 compensation or equal wages in other suitable employment, and
11 "disability" means the state of being so incapacitated.

12 (f) For the purposes of this chapter, no compensation shall be
13 payable for or on account of any occupational diseases unless
14 disablement, as defined in subsection (e), occurs within two (2) years
15 after the last day of the last exposure to the hazards of the disease
16 except for the following:

17 (1) In all cases of occupational diseases caused by the inhalation
18 of silica dust or coal dust, no compensation shall be payable
19 unless disablement, as defined in subsection (e), occurs within
20 three (3) years after the last day of the last exposure to the hazards
21 of the disease.

22 (2) In all cases of occupational disease caused by the exposure to
23 radiation, no compensation shall be payable unless disablement,
24 as defined in subsection (e), occurs within two (2) years from the
25 date on which the employee had knowledge of the nature of his
26 occupational disease or, by exercise of reasonable diligence,
27 should have known of the existence of such disease and its causal
28 relationship to his employment.

29 (3) In all cases of occupational diseases caused by the inhalation
30 of asbestos dust, no compensation shall be payable unless
31 disablement, as defined in subsection (e), occurs within three (3)
32 years after the last day of the last exposure to the hazards of the
33 disease if the last day of the last exposure was before July 1, 1985.

34 (4) In all cases of occupational disease caused by the inhalation
35 of asbestos dust in which the last date of the last exposure occurs
36 on or after July 1, 1985, and before July 1, 1988, no compensation
37 shall be payable unless disablement, as defined in subsection (e),
38 occurs within twenty (20) years after the last day of the last
39 exposure.

40 (5) In all cases of occupational disease caused by the inhalation
41 of asbestos dust in which the last date of the last exposure occurs
42 on or after July 1, 1988, no compensation shall be payable unless

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1 disablement (as defined in subsection (e)) occurs within
2 thirty-five (35) years after the last day of the last exposure.

3 (g) For the purposes of this chapter, no compensation shall be
4 payable for or on account of death resulting from any occupational
5 disease unless death occurs within two (2) years after the date of
6 disablement. However, this subsection does not bar compensation for
7 death:

8 (1) where death occurs during the pendency of a claim filed by an
9 employee within two (2) years after the date of disablement and
10 which claim has not resulted in a decision or has resulted in a
11 decision which is in process of review or appeal; or

12 (2) where, by agreement filed or decision rendered, a
13 compensable period of disability has been fixed and death occurs
14 within two (2) years after the end of such fixed period, but in no
15 event later than three hundred (300) weeks after the date of
16 disablement.

17 (h) As used in this chapter, "billing review service" refers to a
18 person or an entity that reviews a medical service provider's bills or
19 statements for the purpose of determining pecuniary liability. The term
20 includes an employer's worker's compensation insurance carrier if the
21 insurance carrier performs such a review.

22 (i) As used in this chapter, "billing review standard" means the data
23 used by a billing review service to determine pecuniary liability.

24 (j) As used in this chapter, "community" means a geographic service
25 area based on zip code districts defined by the United States Postal
26 Service according to the following groupings:

27 (1) The geographic service area served by zip codes with the first
28 three (3) digits 463 and 464.

29 (2) The geographic service area served by zip codes with the first
30 three (3) digits 465 and 466.

31 (3) The geographic service area served by zip codes with the first
32 three (3) digits 467 and 468.

33 (4) The geographic service area served by zip codes with the first
34 three (3) digits 469 and 479.

35 (5) The geographic service area served by zip codes with the first
36 three (3) digits 460, 461 (except 46107), and 473.

37 (6) The geographic service area served by the 46107 zip code and
38 zip codes with the first three (3) digits 462.

39 (7) The geographic service area served by zip codes with the first
40 three (3) digits 470, 471, 472, 474, and 478.

41 (8) The geographic service area served by zip codes with the first
42 three (3) digits 475, 476, and 477.

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1 (k) As used in this chapter, "medical service provider" refers to a
 2 person or an entity that provides medical services, treatment, or
 3 supplies to an employee under this chapter.

4 (l) As used in this chapter, "pecuniary liability" means the
 5 responsibility of an employer or the employer's insurance carrier for the
 6 payment of the charges for each specific service or product for human
 7 medical treatment provided under this chapter in a defined community,
 8 equal to or less than the charges made by medical service providers at
 9 the eightieth percentile in the same community for like services or
 10 products.

11 SECTION 4. IC 27-1-3-28, AS AMENDED BY P.L.252-1995,
 12 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 13 JULY 1, 1998]: Sec. 28. (a) The department of insurance fund is
 14 established for the ~~purpose~~ **following purposes:**

15 ~~(1) of Providing~~ **To provide** supplemental funding for the
 16 operations of the department of insurance.

17 **(2) To pay the costs of hiring and employing staff.**

18 **(3) To provide staff salary differentials as necessary to**
 19 **equalize the average salaries and staffing levels of the**
 20 **department of insurance with the average salaries and**
 21 **staffing levels reported in the most recent Insurance**
 22 **Department Resources Report published by the National**
 23 **Association of Insurance Commissioners.**

24 **(4) To enable the department of insurance to maintain**
 25 **accreditation by the National Association of Insurance**
 26 **Commissioners.**

27 **(b)** The fund shall be administered by the commissioner. The
 28 following shall be deposited in the department of insurance fund:

29 (1) Audit fees remitted by insurers to the commissioner under
 30 IC 27-1-3-15(d).

31 (2) Filing fees remitted by insurers to the commissioner under
 32 IC 27-1-3-15(e).

33 (3) Any other amounts remitted to the commissioner or the
 34 department that are required by rule or statute to be deposited into
 35 the department of insurance fund.

36 ~~(b)~~ **(c)** The expenses of administering the fund shall be paid from
 37 money in the fund.

38 ~~(c)~~ **(d)** The treasurer of state shall invest the money in the fund not
 39 currently needed to meet the obligations of the fund in the same
 40 manner as other public funds may be invested. Interest that accrues
 41 from these investments shall be deposited in the fund.

42 ~~(d)~~ **(e)** Money in the fund at the end of a particular fiscal year does



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1 not revert to the state general fund.

2 (e) (f) There is annually appropriated to the department of
3 insurance, for the ~~purpose~~ **purposes** set forth in subsection (a), the
4 entire amount of money deposited in the fund in each year.

5 SECTION 5. IC 27-1-29-28 IS ADDED TO THE INDIANA CODE
6 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
7 1, 1998]: **Sec. 28. (a) As used in this section, "fund" means the
8 political subdivision risk management fund established by section
9 10 of this chapter.**

10 (b) Notwithstanding any other provision of this chapter, the
11 commission:

12 (1) with the approval of the insurance commissioner; and

13 (2) upon a determination by the commission that:

14 (A) membership in the fund is declining; and

15 (B) financial conditions warrant the action;

16 is authorized to take action under subsection (c).

17 (c) Under the circumstances set forth in subsection (b), the
18 commission may do the following with respect to the fund:

19 (1) Prevent any political subdivision that is not already a
20 member of the fund from becoming a member.

21 (2) Decline to renew the membership of the political
22 subdivisions that are members of the fund.

23 (3) When the membership of the last member has expired,
24 cease the operation of the fund, except for:

25 (A) the payment of liabilities of former members of the
26 fund; and

27 (B) the collection of assessments from former members of
28 the fund, if any are due;

29 in accordance with this chapter and rules adopted by the
30 commission.

31 (4) Allow or cause a partial reduction or complete depletion
32 of the balance of the fund through:

33 (A) the payment of liabilities of former members of the
34 fund; and

35 (B) at the discretion of the commission, and with the
36 approval of the commissioner, the pro rata return to
37 former members of assessments paid by former members
38 of the fund;

39 in accordance with this chapter and rules adopted by the
40 commission.

41 (d) After any or all of the actions authorized by subsection (c),
42 the commission, with the approval of the insurance commissioner,

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1 **may resume using the fund to pay the liabilities of members of the**
2 **fund under this chapter.**

3 SECTION 6. THE FOLLOWING ARE REPEALED [EFFECTIVE
4 APRIL 1, 1998]: IC 6-3-7-5; IC 22-3-2-14.5; IC 22-3-7-34.5.

5 SECTION 7. **An emergency is declared for this act.**

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SENATE MOTION

Mr. President: I move that Senators Craycraft and O'Day be added as coauthors of Senate Bill 224.

WORMAN

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COMMITTEE REPORT

Mr. President: The Senate Committee on Insurance and Interstate Cooperation, to which was referred Senate Bill 224, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill DO PASS.

(Reference is made to Senate Bill 224 as introduced.)

WORMAN, Chairperson

Committee Vote: Yeas 8, Nays 0.

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COMMITTEE REPORT

Mr. Speaker: Your Committee on Insurance, Corporations and Small Business, to which was referred Senate Bill 224, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 1, between the enacting clause and line 1, begin a new paragraph and insert:

"SECTION 1. IC 22-3-5-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE APRIL 1, 1998]: Sec. 6. (a) The worker's compensation supplemental administrative fund is established for the purpose of carrying out the administrative purposes and functions of the worker's compensation board. The fund consists of fees collected from employers under sections 1 through 2 of this chapter. ~~and from fees collected under IC 22-3-2-14.5 and IC 22-3-7-34.5.~~ The fund shall be administered by the worker's compensation board. ~~Money in the fund is annually appropriated to the worker's compensation board for its use in carrying out the administrative purposes and functions of the worker's compensation board.~~

(b) The money in the fund is not to be used to replace funds otherwise appropriated to the board. Money in the fund at the end of the state fiscal year does not revert to the state general fund.

SECTION 2. IC 22-3-6-1, AS AMENDED BY P.L.258-1997(ss), SECTION 12, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE APRIL 1, 1998]: Sec. 1. In IC 22-3-2 through IC 22-3-6, unless the context otherwise requires:

(a) "Employer" includes the state and any political subdivision, any municipal corporation within the state, any individual or the legal representative of a deceased individual, firm, association, limited liability company, or corporation or the receiver or trustee of the same, using the services of another for pay. If the employer is insured, the term includes the employer's insurer so far as applicable. However, the inclusion of an employer's insurer within this definition does not allow an employer's insurer to avoid payment for services rendered to an employee with the approval of the employer.

(b) "Employee" means every person, including a minor, in the service of another, under any contract of hire or apprenticeship, written or implied, except one whose employment is both casual and not in the usual course of the trade, business, occupation, or profession of the employer.

(1) An executive officer elected or appointed and empowered in accordance with the charter and bylaws of a corporation, other than a municipal corporation or governmental subdivision or a

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charitable, religious, educational, or other nonprofit corporation, is an employee of the corporation under IC 22-3-2 through IC 22-3-6.

(2) An executive officer of a municipal corporation or other governmental subdivision or of a charitable, religious, educational, or other nonprofit corporation may, notwithstanding any other provision of IC 22-3-2 through IC 22-3-6, be brought within the coverage of its insurance contract by the corporation by specifically including the executive officer in the contract of insurance. The election to bring the executive officer within the coverage shall continue for the period the contract of insurance is in effect, and during this period, the executive officers thus brought within the coverage of the insurance contract are employees of the corporation under IC 22-3-2 through IC 22-3-6.

(3) Any reference to an employee who has been injured, when the employee is dead, also includes the employee's legal representatives, dependents, and other persons to whom compensation may be payable.

(4) An owner of a sole proprietorship may elect to include the owner as an employee under IC 22-3-2 through IC 22-3-6 if the owner is actually engaged in the proprietorship business. If the owner makes this election, the owner must serve upon the owner's insurance carrier and upon the board written notice of the election. No owner of a sole proprietorship may be considered an employee under IC 22-3-2 through IC 22-3-6 until the notice has been received. ~~If the owner of a sole proprietorship is an independent contractor in the construction trades and does not make the election provided under this subdivision, the owner must obtain an affidavit of exemption under IC 22-3-2-14.5.~~

(5) A partner in a partnership may elect to include the partner as an employee under IC 22-3-2 through IC 22-3-6 if the partner is actually engaged in the partnership business. If a partner makes this election, the partner must serve upon the partner's insurance carrier and upon the board written notice of the election. No partner may be considered an employee under IC 22-3-2 through IC 22-3-6 until the notice has been received. ~~If a partner in a partnership is an independent contractor in the construction trades and does not make the election provided under this subdivision, the partner must obtain an affidavit of exemption under IC 22-3-2-14.5.~~

(6) Real estate professionals are not employees under IC 22-3-2 through IC 22-3-6 if:

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- (A) they are licensed real estate agents;
- (B) substantially all their remuneration is directly related to sales volume and not the number of hours worked; and
- (C) they have written agreements with real estate brokers stating that they are not to be treated as employees for tax purposes.

~~(7) A person is an independent contractor in the construction trades and not an employee under IC 22-3-2 through IC 22-3-6 if the person is an independent contractor under the guidelines of the United States Internal Revenue Service.~~

~~(8) (7)~~ An owner-operator that provides a motor vehicle and the services of a driver under a written contract that is subject to IC 8-2.1-24-23, 45 IAC 16-1-13, or 49 CFR 1057, to a motor carrier is not an employee of the motor carrier for purposes of IC 22-3-2 through IC 22-3-6. The owner-operator may elect to be covered and have the owner-operator's drivers covered under a worker's compensation insurance policy or authorized self-insurance that insures the motor carrier if the owner-operator pays the premiums as requested by the motor carrier. An election by an owner-operator under this subdivision does not terminate the independent contractor status of the owner-operator for any purpose other than the purpose of this subdivision.

~~(9) (8)~~ A member or manager in a limited liability company may elect to include the member or manager as an employee under IC 22-3-2 through IC 22-3-6 if the member or manager is actually engaged in the limited liability company business. If a member or manager makes this election, the member or manager must serve upon the member's or manager's insurance carrier and upon the board written notice of the election. A member or manager may not be considered an employee under IC 22-3-2 through IC 22-3-6 until the notice has been received.

(c) "Minor" means an individual who has not reached seventeen (17) years of age.

(1) Unless otherwise provided in this subsection, a minor employee shall be considered as being of full age for all purposes of IC 22-3-2 through IC 22-3-6.

(2) If the employee is a minor who, at the time of the accident, is employed, required, suffered, or permitted to work in violation of IC 20-8.1-4-25, the amount of compensation and death benefits, as provided in IC 22-3-2 through IC 22-3-6, shall be double the amount which would otherwise be recoverable. The insurance carrier shall be liable on its policy for one-half (1/2) of the



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compensation or benefits that may be payable on account of the injury or death of the minor, and the employer shall be liable for the other one-half (1/2) of the compensation or benefits. If the employee is a minor who is not less than sixteen (16) years of age and who has not reached seventeen (17) years of age and who at the time of the accident is employed, suffered, or permitted to work at any occupation which is not prohibited by law, this subdivision does not apply.

(3) A minor employee who, at the time of the accident, is a student performing services for an employer as part of an approved program under IC 20-10.1-6-7 shall be considered a full-time employee for the purpose of computing compensation for permanent impairment under IC 22-3-3-10. The average weekly wages for such a student shall be calculated as provided in subsection (d)(4).

(4) The rights and remedies granted in this subsection to a minor under IC 22-3-2 through IC 22-3-6 on account of personal injury or death by accident shall exclude all rights and remedies of the minor, the minor's parents, or the minor's personal representatives, dependents, or next of kin at common law, statutory or otherwise, on account of the injury or death. This subsection does not apply to minors who have reached seventeen (17) years of age.

(d) "Average weekly wages" means the earnings of the injured employee in the employment in which the employee was working at the time of the injury during the period of fifty-two (52) weeks immediately preceding the date of injury, divided by fifty-two (52), except as follows:

(1) If the injured employee lost seven (7) or more calendar days during this period, although not in the same week, then the earnings for the remainder of the fifty-two (52) weeks shall be divided by the number of weeks and parts thereof remaining after the time lost has been deducted.

(2) Where the employment prior to the injury extended over a period of less than fifty-two (52) weeks, the method of dividing the earnings during that period by the number of weeks and parts thereof during which the employee earned wages shall be followed, if results just and fair to both parties will be obtained. Where by reason of the shortness of the time during which the employee has been in the employment of the employee's employer or of the casual nature or terms of the employment it is impracticable to compute the average weekly wages, as defined

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in this subsection, regard shall be had to the average weekly amount which during the fifty-two (52) weeks previous to the injury was being earned by a person in the same grade employed at the same work by the same employer or, if there is no person so employed, by a person in the same grade employed in the same class of employment in the same district.

(3) Wherever allowances of any character made to an employee in lieu of wages are a specified part of the wage contract, they shall be deemed a part of his earnings.

(4) In computing the average weekly wages to be used in calculating an award for permanent impairment under IC 22-3-3-10 for a student employee in an approved training program under IC 20-10.1-6-7, the following formula shall be used. Calculate the product of:

- (A) the student employee's hourly wage rate; multiplied by
- (B) forty (40) hours.

The result obtained is the amount of the average weekly wages for the student employee.

(e) "Injury" and "personal injury" mean only injury by accident arising out of and in the course of the employment and do not include a disease in any form except as it results from the injury.

(f) "Billing review service" refers to a person or an entity that reviews a medical service provider's bills or statements for the purpose of determining pecuniary liability. The term includes an employer's worker's compensation insurance carrier if the insurance carrier performs such a review.

(g) "Billing review standard" means the data used by a billing review service to determine pecuniary liability.

(h) "Community" means a geographic service area based on zip code districts defined by the United States Postal Service according to the following groupings:

- (1) The geographic service area served by zip codes with the first three (3) digits 463 and 464.
- (2) The geographic service area served by zip codes with the first three (3) digits 465 and 466.
- (3) The geographic service area served by zip codes with the first three (3) digits 467 and 468.
- (4) The geographic service area served by zip codes with the first three (3) digits 469 and 479.
- (5) The geographic service area served by zip codes with the first three (3) digits 460, 461 (except 46107), and 473.
- (6) The geographic service area served by the 46107 zip code and



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zip codes with the first three (3) digits 462.

(7) The geographic service area served by zip codes with the first three (3) digits 470, 471, 472, 474, and 478.

(8) The geographic service area served by zip codes with the first three (3) digits 475, 476, and 477.

(i) "Medical service provider" refers to a person or an entity that provides medical services, treatment, or supplies to an employee under IC 22-3-2 through IC 22-3-6.

(j) "Pecuniary liability" means the responsibility of an employer or the employer's insurance carrier for the payment of the charges for each specific service or product for human medical treatment provided under IC 22-3-2 through IC 22-3-6 in a defined community, equal to or less than the charges made by medical service providers at the eightieth percentile in the same community for like services or products.

SECTION 3. IC 22-3-7-9, AS AMENDED BY P.L.258-1997(ss), SECTION 13, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE APRIL 1, 1998]: Sec. 9. (a) As used in this chapter, "employer" includes the state and any political subdivision, any municipal corporation within the state, any individual or the legal representative of a deceased individual, firm, association, limited liability company, or corporation or the receiver or trustee of the same, using the services of another for pay. If the employer is insured, the term includes his insurer so far as applicable. However, the inclusion of an employer's insurer within this definition does not allow an employer's insurer to avoid payment for services rendered to an employee with the approval of the employer.

(b) As used in this chapter, "employee" means every person, including a minor, in the service of another, under any contract of hire or apprenticeship written or implied, except one whose employment is both casual and not in the usual course of the trade, business, occupation, or profession of the employer. For purposes of this chapter the following apply:

(1) Any reference to an employee who has suffered disablement, when the employee is dead, also includes his legal representative, dependents, and other persons to whom compensation may be payable.

(2) An owner of a sole proprietorship may elect to include himself as an employee under this chapter if he is actually engaged in the proprietorship business. If the owner makes this election, he must serve upon his insurance carrier and upon the board written notice of the election. No owner of a sole proprietorship may be considered an employee under this chapter unless the notice has

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been received. ~~If the owner of a sole proprietorship is an independent contractor in the construction trades and does not make the election provided under this subdivision, the owner must obtain an affidavit of exemption under IC 22-3-7-34.5.~~

(3) A partner in a partnership may elect to include himself as an employee under this chapter if he is actually engaged in the partnership business. If a partner makes this election, he must serve upon his insurance carrier and upon the board written notice of the election. No partner may be considered an employee under this chapter until the notice has been received. ~~If a partner in a partnership is an independent contractor in the construction trades and does not make the election provided under this subdivision, the partner must obtain an affidavit of exemption under IC 22-3-7-34.5.~~

(4) Real estate professionals are not employees under this chapter if:

- (A) they are licensed real estate agents;
- (B) substantially all their remuneration is directly related to sales volume and not the number of hours worked; and
- (C) they have written agreements with real estate brokers stating that they are not to be treated as employees for tax purposes.

~~(5) A person is an independent contractor in the construction trades and not an employee under this chapter if the person is an independent contractor under the guidelines of the United States Internal Revenue Service.~~

~~(6)~~ (5) An owner-operator that provides a motor vehicle and the services of a driver under a written contract that is subject to IC 8-2.1-24-23, 45 IAC 16-1-13, or 49 CFR 1057, to a motor carrier is not an employee of the motor carrier for purposes of this chapter. The owner-operator may elect to be covered and have the owner-operator's drivers covered under a worker's compensation insurance policy or authorized self-insurance that insures the motor carrier if the owner-operator pays the premiums as requested by the motor carrier. An election by an owner-operator under this subdivision does not terminate the independent contractor status of the owner-operator for any purpose other than the purpose of this subdivision.

(c) As used in this chapter, "minor" means an individual who has not reached seventeen (17) years of age. A minor employee shall be considered as being of full age for all purposes of this chapter. However, if the employee is a minor who, at the time of the last



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exposure, is employed, required, suffered, or permitted to work in violation of the child labor laws of this state, the amount of compensation and death benefits, as provided in this chapter, shall be double the amount which would otherwise be recoverable. The insurance carrier shall be liable on its policy for one-half (1/2) of the compensation or benefits that may be payable on account of the disability or death of the minor, and the employer shall be wholly liable for the other one-half (1/2) of the compensation or benefits. If the employee is a minor who is not less than sixteen (16) years of age and who has not reached seventeen (17) years of age, and who at the time of the last exposure is employed, suffered, or permitted to work at any occupation which is not prohibited by law, the provisions of this subsection prescribing double the amount otherwise recoverable do not apply. The rights and remedies granted to a minor under this chapter on account of disease shall exclude all rights and remedies of the minor, his parents, his personal representatives, dependents, or next of kin at common law, statutory or otherwise, on account of any disease.

(d) This chapter does not apply to casual laborers as defined in subsection (b), nor to farm or agricultural employees, nor to household employees, nor to railroad employees engaged in train service as engineers, firemen, conductors, brakemen, flagmen, baggagemen, or foremen in charge of yard engines and helpers assigned thereto, nor to their employers with respect to these employees. Also, this chapter does not apply to employees or their employers with respect to employments in which the laws of the United States provide for compensation or liability for injury to the health, disability, or death by reason of diseases suffered by these employees.

(e) As used in this chapter, "disablement" means the event of becoming disabled from earning full wages at the work in which the employee was engaged when last exposed to the hazards of the occupational disease by the employer from whom he claims compensation or equal wages in other suitable employment, and "disability" means the state of being so incapacitated.

(f) For the purposes of this chapter, no compensation shall be payable for or on account of any occupational diseases unless disablement, as defined in subsection (e), occurs within two (2) years after the last day of the last exposure to the hazards of the disease except for the following:

- (1) In all cases of occupational diseases caused by the inhalation of silica dust or coal dust, no compensation shall be payable unless disablement, as defined in subsection (e), occurs within three (3) years after the last day of the last exposure to the hazards

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of the disease.

(2) In all cases of occupational disease caused by the exposure to radiation, no compensation shall be payable unless disablement, as defined in subsection (e), occurs within two (2) years from the date on which the employee had knowledge of the nature of his occupational disease or, by exercise of reasonable diligence, should have known of the existence of such disease and its causal relationship to his employment.

(3) In all cases of occupational diseases caused by the inhalation of asbestos dust, no compensation shall be payable unless disablement, as defined in subsection (e), occurs within three (3) years after the last day of the last exposure to the hazards of the disease if the last day of the last exposure was before July 1, 1985.

(4) In all cases of occupational disease caused by the inhalation of asbestos dust in which the last date of the last exposure occurs on or after July 1, 1985, and before July 1, 1988, no compensation shall be payable unless disablement, as defined in subsection (e), occurs within twenty (20) years after the last day of the last exposure.

(5) In all cases of occupational disease caused by the inhalation of asbestos dust in which the last date of the last exposure occurs on or after July 1, 1988, no compensation shall be payable unless disablement (as defined in subsection (e)) occurs within thirty-five (35) years after the last day of the last exposure.

(g) For the purposes of this chapter, no compensation shall be payable for or on account of death resulting from any occupational disease unless death occurs within two (2) years after the date of disablement. However, this subsection does not bar compensation for death:

(1) where death occurs during the pendency of a claim filed by an employee within two (2) years after the date of disablement and which claim has not resulted in a decision or has resulted in a decision which is in process of review or appeal; or

(2) where, by agreement filed or decision rendered, a compensable period of disability has been fixed and death occurs within two (2) years after the end of such fixed period, but in no event later than three hundred (300) weeks after the date of disablement.

(h) As used in this chapter, "billing review service" refers to a person or an entity that reviews a medical service provider's bills or statements for the purpose of determining pecuniary liability. The term includes an employer's worker's compensation insurance carrier if the

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insurance carrier performs such a review.

(i) As used in this chapter, "billing review standard" means the data used by a billing review service to determine pecuniary liability.

(j) As used in this chapter, "community" means a geographic service area based on zip code districts defined by the United States Postal Service according to the following groupings:

(1) The geographic service area served by zip codes with the first three (3) digits 463 and 464.

(2) The geographic service area served by zip codes with the first three (3) digits 465 and 466.

(3) The geographic service area served by zip codes with the first three (3) digits 467 and 468.

(4) The geographic service area served by zip codes with the first three (3) digits 469 and 479.

(5) The geographic service area served by zip codes with the first three (3) digits 460, 461 (except 46107), and 473.

(6) The geographic service area served by the 46107 zip code and zip codes with the first three (3) digits 462.

(7) The geographic service area served by zip codes with the first three (3) digits 470, 471, 472, 474, and 478.

(8) The geographic service area served by zip codes with the first three (3) digits 475, 476, and 477.

(k) As used in this chapter, "medical service provider" refers to a person or an entity that provides medical services, treatment, or supplies to an employee under this chapter.

(l) As used in this chapter, "pecuniary liability" means the responsibility of an employer or the employer's insurance carrier for the payment of the charges for each specific service or product for human medical treatment provided under this chapter in a defined community, equal to or less than the charges made by medical service providers at the eightieth percentile in the same community for like services or products.

SECTION 4. IC 27-1-3-28, AS AMENDED BY P.L.252-1995, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1998]: Sec. 28. (a) The department of insurance fund is established for the ~~purpose~~ **following purposes:**

~~(1) of Providing~~ **To provide** supplemental funding for the operations of the department of insurance.

(2) To pay the costs of hiring and employing staff.

(3) To provide staff salary differentials as necessary to equalize the average salaries and staffing levels of the department of insurance with the average salaries and

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staffing levels reported in the most recent Insurance Department Resources Report published by the National Association of Insurance Commissioners.

(4) To enable the department of insurance to maintain accreditation by the National Association of Insurance Commissioners.

(b) The fund shall be administered by the commissioner. The following shall be deposited in the department of insurance fund:

(1) Audit fees remitted by insurers to the commissioner under IC 27-1-3-15(d).

(2) Filing fees remitted by insurers to the commissioner under IC 27-1-3-15(e).

(3) Any other amounts remitted to the commissioner or the department that are required by rule or statute to be deposited into the department of insurance fund.

(b) (c) The expenses of administering the fund shall be paid from money in the fund.

(c) (d) The treasurer of state shall invest the money in the fund not currently needed to meet the obligations of the fund in the same manner as other public funds may be invested. Interest that accrues from these investments shall be deposited in the fund.

(d) (e) Money in the fund at the end of a particular fiscal year does not revert to the state general fund.

(e) (f) There is annually appropriated to the department of insurance, for the ~~purpose~~ purposes set forth in subsection (a), the entire amount of money deposited in the fund in each year."

Page 2, after line 32, begin a new paragraph and insert:

"SECTION 6. THE FOLLOWING ARE REPEALED [EFFECTIVE APRIL 1, 1998]: IC 6-3-7-5; IC 22-3-2-14.5; IC 22-3-7-34.5.

SECTION 7. **An emergency is declared for this act.**"

Re-number all SECTIONS consecutively.

and when so amended that said bill do pass.

(Reference is to Senate Bill 224 as printed January 16, 1998.)

FRY, Chair

Committee Vote: yeas 15, nays 0.



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HOUSE MOTION

Mr. Speaker: I move that Engrossed Senate Bill 224 be amended to read as follows:

Page 12, line 7, delete "The following definitions apply throughout" and insert "**As used in this section, "fund" means**".

Page 12, delete lines 8 through 14.

Page 12, line 15, delete "(3) "Risk management fund" refers to".

Page 12, run in lines 7 and 15.

Page 12, line 18, delete "or" and insert ",".

Page 12, line 19, delete "IC 27-1-29.1,".

Page 12, line 22, delete "or funds".

Page 12, line 26, delete "risk" and insert "**fund**".

Page 12, delete line 27.

Page 12, line 29, delete "or funds".

Page 12, line 31, delete "or funds." and insert ".".

Page 12, line 33, delete "or funds," and insert ",".

Page 12, line 35, delete "or funds;" and insert ";".

Page 12, line 37, delete "or funds," and insert ",".

Page 12, line 38, delete ", IC 27-1-29.1,".

Page 12, line 41, "or funds".

Page 13, line 1, delete "or funds;" and insert ";".

Page 13, line 5, delete "or funds;" and insert ";".

Page 13, line 6, delete ", IC 27-1-29.1,".

Page 13, line 10, delete "or funds".

Page 13, line 11, delete "or funds".

Page 13, line 11, delete "and IC 27-1-29.1." and insert ".".

(Reference is to Engrossed Senate Bill 224 as printed February 17, 1998.)

M. SMITH

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