
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.

SE 224—LS 6864/DI 55+



C
O
P
Y

Digest Continued

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.

C
o
p
y

SEA 224—CC.No.01+



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.

SENATE ENROLLED ACT No. 224

AN ACT to amend the Indiana Code concerning insurance.

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

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

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

- (1) with the approval of the insurance commissioner; and**
- (2) upon a determination by the commission that:**
 - (A) membership in the fund is declining; and**
 - (B) financial conditions warrant the action;**

is authorized to take action under subsection (c).

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

- (1) Prevent any political subdivision that is not already a member of the fund from becoming a member.**
- (2) Decline to renew the membership of the political subdivisions that are members of the fund.**
- (3) When the membership of the last member has expired,**

SEA 224—CC.No.01+



C
O
P
Y

cease the operation of the fund, except for:

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

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

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

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

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

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

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

(d) After any or all of the actions authorized by subsection (c), the commission, with the approval of the insurance commissioner, may resume using the fund to pay the liabilities of members of the fund under this chapter.

C
O
P
Y

