

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1989

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SENATE BILL 1437*
Second Edition Engrossed 6/26/90

Short Title: Mutual Worker Comp Fund Assessment.

(Public)

Sponsors: Senator Block.

Referred to: Insurance.

June 12, 1990

A BILL TO BE ENTITLED

AN ACT TO LEVY A ONE-TIME ASSESSMENT ON INSURERS THAT SUPPORT
THE MUTUAL WORKERS' COMPENSATION SECURITY FUND.

The General Assembly of North Carolina enacts:

Section 1. The General Assembly finds that because of the magnitude of recent insolvencies of mutual insurers domiciled in other states and because mutual insurers had written significant amounts of workers' compensation insurance in this State, the level of money in The Mutual Workers' Compensation Security Fund is sufficiently low so that payments to injured workers and their health care providers will have to be suspended. The General Assembly declares that it is in the public interest to provide for a one-time assessment on all mutual insurers writing workers' compensation in the State in order to bring this Fund to an acceptable level and to avoid adverse economic effects on workers who are entitled to payments under the Workers' Compensation Act.

Sec. 2. Article 3 of Chapter 97 of the General Statutes is amended by adding a new section to read:

"§ 97-116.1. Supplemental assessment for The Mutual Workers' Compensation Security Fund.

For the privilege of carrying on the business of workers' compensation insurance in this State, every mutual carrier shall pay into the mutual fund a sum equal to two percent (2%) of its net written workers' compensation premiums for calendar year 1989 only. This assessment is in addition to the contribution required in G.S. 97-116."

Sec. 3. This act is effective upon ratification.