

S.161

Introduced by Senator Illuzzi

Referred to Committee on

Date:

Subject: Labor; workers' compensation; insurance rates

Statement of purpose: This bill proposes to require the department of banking, insurance, securities, and health care administration to reconsider its use of the data provided by the National Council on Compensation Insurance, Inc., and to study whether it needs to use a workers' compensation insurance rating advisory organization to assist in the calculation of insurance rates.

An act relating to workers' compensation insurance

It is hereby enacted by the General Assembly of the State of Vermont:

Sec. 1. FINDINGS

The general assembly finds:

(a) The department of banking, insurance, securities, and health care administration (BISHCA) relies on the National Council on Compensation Insurance, Inc. (NCCI) to provide data to assist in the calculation of workers' compensation insurance rates. BISHCA has been using the data provided by NCCI since July 10, 1984 and has not examined its reliance upon the data provided by NCCI since that time.

1 (b) The impartiality of the data provided by NCCI has been called into
2 question during the review of proposed legislation and in resolving
3 classification issues between employers and insurers.

4 Sec. 2. WORKERS' COMPENSATION RATING ADVISORY
5 ORGANIZATIONS

6 (a) The department of banking, insurance, securities, and health care
7 administration (BISHCA) is directed to reconsider its reliance on the data
8 provided by the National Council on Compensation Insurance, Inc. and
9 whether it needs a workers' compensation insurance rating advisory
10 organization in order to assist in the calculation of insurance rates. If BISHCA
11 determines that it needs a workers' compensation advisory organization to
12 assist in calculating insurance rates, it is to consider using alternatives to
13 NCCI.

14 (b) The department shall report its findings to the senate committee on
15 economic development, housing and general affairs and the house committee
16 on commerce and economic development by January 15, 2013.