

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 136 Session of 2011

INTRODUCED BY B. BOYLE, K. BOYLE, DALEY, DePASQUALE, FABRIZIO, GIBBONS, GOODMAN, HARKINS, JOSEPHS, W. KELLER, KULA, MATZIE, MCGEEHAN, MURPHY, MURT, M. O'BRIEN, PASHINSKI, READSHAW, STURLA AND TOOHIL, MARCH 3, 2011

REFERRED TO COMMITTEE ON LABOR AND INDUSTRY, MARCH 3, 2011

AN ACT

1 Amending the act of June 2, 1915 (P.L.736, No.338), entitled, as
 2 reenacted and amended, "An act defining the liability of an
 3 employer to pay damages for injuries received by an employe
 4 in the course of employment; establishing an elective
 5 schedule of compensation; providing procedure for the
 6 determination of liability and compensation thereunder; and
 7 prescribing penalties," in Uninsured Employers Guaranty Fund,
 8 further providing for reimbursement and for assessments.

9 The General Assembly of the Commonwealth of Pennsylvania

10 hereby enacts as follows:

11 Section 1. Sections 1605(b) and 1607 of the act of June 2,
 12 1915 (P.L.736, No.338), known as the Workers' Compensation Act,
 13 reenacted and amended June 21, 1939 (P.L.520, No.281) and added
 14 November 9, 2006 (P.L.1362, No.147), are amended to read:

15 Section 1605. Department.

16 * * *

17 (b) Reimbursement.--The department shall, on behalf of the
 18 fund, exhaust all remedies at law against the uninsured employer
 19 in order to collect the amount of a voluntary payment or award,
 20 including voluntary payment or award itself and reimbursement of

1 costs, interest, penalties, fees under section 440 and costs of
2 the fund's attorney, which have been paid by the fund. The fund
3 shall also be reimbursed for costs or attorney fees which are
4 incurred in seeking reimbursement under this subsection. The
5 department is authorized to investigate violations of section
6 305 for prosecution of the uninsured employer pursuant to
7 section 305(b) and shall pursue such prosecutions through
8 coordination with the appropriate prosecuting authority. [Any
9 restitution obtained shall be paid to the fund.] The fund shall
10 be entitled to restitution of all payments made under this
11 article as the result of any injury to an employe of an
12 uninsured employer. Restitution to the fund under section 305
13 shall not be limited to the amount specified in the award of
14 compensation, but may include the amount of any voluntary
15 payment or award, including the voluntary payment or award
16 itself and reimbursement of costs, interest and costs of the
17 fund's attorney, which have been paid by the fund.

18 * * *

19 Section 1607. Assessments.

20 For the purpose of establishing and maintaining the fund, the
21 sum of \$1,000,000 is hereby transferred from the Administration
22 Fund established under section 446 to the fund for operation of
23 the fund for the period commencing on the effective date of this
24 section through June 30, 2007. The department shall calculate
25 the amount necessary to maintain the fund and shall assess
26 insurers and self-insured employers as is necessary to provide
27 an amount sufficient to pay outstanding and anticipated claims
28 in the following year in a timely manner and to meet the costs
29 of the department to administer the fund. The fund shall be
30 maintained in the same manner as the Workmen's Compensation

1 Administration Fund under section 446 and the regulations
2 thereunder. In no event shall any annual assessment exceed
3 [0.1%] the lesser of the amount sufficient to pay outstanding
4 and anticipated claims in the following year in a timely manner
5 and to meet the costs of the department to administer the fund,
6 or 0.5% of the total compensation paid by all insurers or self-
7 insured employers during the previous calendar year. The
8 department has the authority to make additional assessments in
9 any fiscal year, provided that the total assessment for that
10 year may not exceed the maximum amount allowed by this section.

11 Section 2. This act shall take effect immediately.