

By: Representatives Brown, Dixon

To: Appropriations

HOUSE BILL NO. 789

1 AN ACT TO AMEND SECTIONS 71-3-73, 71-3-95, 71-3-97, 71-3-99
2 AND 71-3-100, MISSISSIPPI CODE OF 1972, TO RETURN THE MISSISSIPPI
3 WORKERS' COMPENSATION COMMISSION TO A SPECIAL FUND AGENCY; TO
4 AMEND SECTION 27-104-205, MISSISSIPPI CODE OF 1972, TO CONFORM;
5 AND FOR RELATED PURPOSES.

6 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MISSISSIPPI:

7 **SECTION 1.** Section 71-3-73, Mississippi Code of 1972, is
8 amended as follows:

9 71-3-73. * * * If an employee who has previously lost, or
10 lost the use of, one (1) hand, one (1) arm, one (1) foot, one (1)
11 leg, or one (1) eye, becomes permanently and totally incapacitated
12 through the loss, or loss of use, of another member or organ, the
13 employer shall be liable only for the compensation payable for
14 such second injury. In addition to such compensation and after
15 the completion of the payment therefor, the employee shall be paid
16 the remainder of the compensation that would be due for permanent
17 total incapacity, out of a special fund known as the "Second
18 Injury * * * Fund," and created for such purpose in the following
19 manner:



20 In every case of compensable death of an employee under this
21 chapter, the employer or, if insured, his insurance carrier shall
22 pay to the commission the sum of Three Hundred Dollars (\$300.00)
23 except in cases where there is no dependency, then there shall be
24 paid to the commission the sum of Five Hundred Dollars (\$500.00)
25 to be deposited with the State Treasurer for the benefit of said
26 fund. A suspension of said payments of Three Hundred Dollars
27 (\$300.00) per death shall be made when the total amount of all
28 such payments, together with the accumulated interest thereon,
29 equals or exceeds Three Hundred Fifty Thousand Dollars
30 (\$350,000.00), and no further contributions to said fund shall be
31 made except in cases where there is no dependency. Whenever,
32 thereafter, the amount of such sum shall be reduced below One
33 Hundred Fifty Thousand Dollars (\$150,000.00) by reason of payments
34 made pursuant to this section, then such contributions of Three
35 Hundred Dollars (\$300.00) per death shall be resumed forthwith and
36 shall continue until such sum, together with accumulated interest
37 thereon, shall again amount to Three Hundred Fifty Thousand
38 Dollars (\$350,000.00); and the commission shall direct the
39 distribution thereof.

40 * * *

41 **SECTION 2.** Section 71-3-95, Mississippi Code of 1972, is
42 amended as follows:

43 71-3-95. (1) The commission shall make such expenditures as
44 may be necessary for the adequate administration of this chapter,



45 including salaries and traveling expense, the cost of personal
46 services, office rent at the seat of government and elsewhere, the
47 purchase of books, periodicals, office equipment and supplies,
48 printing and binding reports, the cost of membership in official
49 organizations, and other purposes. All expenditures of the
50 commission in the administration of this chapter shall be allowed
51 and paid out of the * * * Administrative Expense Fund as provided
52 in Section * * * 71-3-97, upon the presentation of itemized
53 vouchers therefor approved by the chairman of the commission.

54 (2) The commission is authorized, in its discretion, to
55 transfer a sum or sums not to exceed Two Hundred Thousand Dollars
56 (\$200,000.00) from the Administrative Expense Fund to the Second
57 Injury Fund. The commission is further authorized, in its
58 discretion, to replace any funds so transferred in the event that
59 funds become available.

60 **SECTION 3.** Section 71-3-97, Mississippi Code of 1972, is
61 amended as follows:

62 71-3-97. (1) There is established in the State Treasury a
63 special fund for the purpose of providing for the payment of all
64 expenses in respect to the administration of this chapter. Such
65 fund shall be administered by the commission. The State Treasurer
66 shall be the custodian of such funds, and all monies and
67 securities in such fund shall be held in trust by the State
68 Treasurer and shall not be the money or property of the state.



69 (2) The State Treasurer is authorized to disburse monies
70 from such fund only upon order of the commission. The official
71 bond of the State Treasurer shall be conditioned for the faithful
72 performance of his duty hereunder.

73 (3) The State Treasurer shall deposit any monies paid into
74 such fund into such qualified depository banks as the commission
75 may designate, and is authorized to invest any portion of the fund
76 which, in the opinion of the commission, is not needed for current
77 requirements, in the same manner and subject to all the provisions
78 of the law with respect to the deposit of state funds by the State
79 Treasurer. All interest earned by such portion of the fund as may
80 be invested by the State Treasurer shall be collected by him and
81 placed to the credit of such fund.

82 (4) All civil penalties provided in this chapter, if not
83 voluntarily paid, may be collected by civil suit brought by the
84 commission, and shall be paid into * * * such fund.

85 **SECTION 4.** Section 71-3-99, Mississippi Code of 1972, is
86 amended as follows:

87 71-3-99. (1) The commission shall estimate annually in
88 advance the amounts necessary for the administration of this
89 chapter, in the following manner:

90 (a) The commission shall, as soon as practicable after
91 the first day of January in each year, determine the expense of
92 administration of this chapter for the one-year period preceding
93 the first day of January. The expense of administration for such



94 period shall be used as the basis for determining the amount to be
95 assessed against each carrier and self-insurer in order to provide
96 for the expenses of the administration of this chapter for the
97 one-year period.

98 (b) Each carrier and self-insurer shall be assessed Two
99 Hundred Fifty Dollars (\$250.00). The proceeds of such assessment
100 shall be deducted from the estimate of total expenses and the
101 remaining expenses of administration shall be prorated among the
102 carriers writing compensation insurance in the state and
103 self-insurers. The gross claims for compensation and medical
104 services and supplies paid by the insurance carriers and
105 self-insurers is the basis for computing the amount to be
106 assessed, in the proportion that the total gross claims for
107 compensation and medical services and supplies paid by such
108 carrier or self-insurer during the preceding one-year period bore
109 to the total gross claims for compensation and medical supplies
110 and services paid by all carriers and self-insurers during such
111 period. This amount may be assessed as a specific amount or as a
112 percentage of gross claims for compensation and medical supplies
113 and services paid by the insurance carriers and self-insurers as
114 the commission may direct, and shall be such amount as shall be
115 reasonably necessary to defray the necessary expense of such
116 administration.

117 (2) The commission shall provide by regulation for the
118 collection of the amounts assessed against each carrier and



119 self-insurer. Such amounts shall be paid within thirty (30) days
120 from the date that notice is served upon such carrier. If such
121 amounts are not paid within such period, there may be assessed,
122 for each thirty (30) days the amount so assessed remains unpaid, a
123 civil penalty equal to ten percent (10%) of the amount so unpaid,
124 which shall be collected at the same time and as a part of the
125 amount assessed.

126 (3) If any carrier or self-insurer fails to pay the amounts
127 assessed against it under the provisions of this section within
128 sixty (60) days from the time such notice is served, the
129 commission may suspend or revoke the authorization to insure
130 compensation or to be self-insured.

131 (4) All amounts collected under the provisions of this
132 section shall be paid into the * * * Administrative Expense
133 Fund * * *.

134 (5) The commission may require from each carrier and
135 self-insurer, at such time and in accordance with regulations as
136 the commission may prescribe, reports in respect to all payments
137 of compensation and medical supplies and services by such carriers
138 or self-insurers during each prior period, and may determine the
139 amounts paid by each carrier and self-insurer and the amounts paid
140 by all carriers and self-insurers during such period.

141 (6) Every carrier and self-insurer shall file with the
142 commission on or before the first day of March of each year, a
143 statement on the prescribed forms showing the gross claims for



144 compensation and medical services and supplies paid by such
145 carrier or self-insurer during the preceding one-year period
146 ending on the thirty-first day of December. Any carrier or
147 self-insurer which neglects to make and file its annual written
148 statement within the time provided in this chapter shall pay to
149 the commission Twenty Dollars (\$20.00) for each day's neglect.

150 **SECTION 5.** Section 71-3-100, Mississippi Code of 1972, is
151 amended as follows:

152 71-3-100. All funds received by the Workers' Compensation
153 Commission, as established by Section 71-3-85 et seq., shall be
154 paid to the State Treasurer, who shall issue receipts therefor and
155 who shall deposit such funds * * * in the State Treasury in a
156 special fund to the credit of the commission. All such funds
157 shall be expended only pursuant to appropriation approved by the
158 Legislature and as provided by law.

159 * * *

160 From and after July 1, 2016, the Workers' Compensation
161 Commission shall not charge another state agency a fee,
162 assessment, rent or other charge for services or resources
163 received by authority of Section 71-3-85 et seq.

164 **SECTION 6.** Section 27-104-205, Mississippi Code of 1972, is
165 amended as follows:

166 27-104-205. (1) From and after July 1, 2016, the expenses
167 of the following enumerated state agencies shall be defrayed by
168 appropriation of the Legislature from the State General Fund: the



169 State Fire Marshal, the State Fire Academy, the Office of
170 Secretary of State (not including the Preneed Contracts Loss
171 Recovery Fund), the Mississippi Public Service Commission, the
172 Mississippi Department of Information Technology Services, the
173 State Personnel Board, the Mississippi Department of Insurance
174 (not including the Municipal Fire Protection Fund, Section
175 83-1-37, the County Volunteer Fire Department Fund, Section
176 83-1-39, and the Mississippi Propane Education and Research Fund,
177 Section 75-57-119), the Mississippi Law Enforcement Officers'
178 Minimum Standards Board * * * , the Mississippi Gaming
179 Commission * * * , the Mississippi Oil and Gas Board * * * , the
180 Mississippi Department of Revenue - License Tag * * * , the Office
181 of the State Public Defender * * * , the Office of Attorney
182 General * * * , and the Mississippi Department of Finance and
183 Administration (not including the Statewide Cost Allocation Plan,
184 the Office of Surplus Property and the Office of Insurance).
185 Beginning July 1, 2016, any fees, assessments or other revenues
186 charged for the support of the above-named state agencies shall be
187 deposited into the State General Fund, and any special fund or
188 depository established within the State Treasury for the deposit
189 of such fees, assessments or revenues shall be abolished and the
190 balance transferred to the State General Fund. Expenses
191 heretofore drawn from such special funds or other depositories
192 shall be drawn from the agencies General Fund Account.



193 (2) Beginning with the fiscal year ending June 30, 2016, the
194 amount to be appropriated annually from the State General Fund for
195 the support of each of the above-named state agencies shall not
196 exceed the amount appropriated for such purpose in the preceding
197 fiscal year, plus any increases in or additional fees, assessments
198 or other charges authorized by act of the Legislature for the
199 succeeding fiscal year.

200 (3) The provisions of this section shall not apply to any
201 trust fund account that is maintained by any above-named agency.

202 (4) The provisions of this section shall not prohibit any of
203 the above-named agencies from maintaining clearing accounts in
204 approved depositories.

205 (5) The provisions of this section shall not apply to any
206 trust fund accounts maintained by the Public Employees' Retirement
207 System and protected under Section 272A of the Mississippi
208 Constitution of 1890.

209 **SECTION 7.** This act shall take effect and be in force from
210 and after July 1, 2018.

