

House Bill 1045 (COMMITTEE SUBSTITUTE)

By: Representatives Gaines of the 117th, Werkheiser of the 157th, Wiedower of the 119th, Kirby of the 114th, and Mallow of the 163rd

A BILL TO BE ENTITLED
AN ACT

1 To amend Title 34 of the Official Code of Georgia Annotated, relating to labor and industrial
2 relations, so as to change certain provisions relating to employment security and workers'
3 compensation; to extend certain provisions relating to the rate of employer contributions,
4 variations from the standard rate, and administrative assessments; to extend the provision
5 relating to automatic repeal; to extend the time period for the dissolution of the Subsequent
6 Injury Trust Fund; to provide for related matters; to repeal conflicting laws; and for other
7 purposes.

8 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

9 **SECTION 1.**

10 Title 34 of the Official Code of Georgia Annotated, relating to labor and industrial relations,
11 is amended by revising Code Section 34-8-151, relating to rate of employer contributions,
12 as follows:

13 "34-8-151.

14 (a) For periods prior to April 1, 1987, or after December 31, ~~2022~~ 2026, each new or
15 newly covered employer shall pay contributions at a rate of 2.7 percent of wages paid by
16 such employer with respect to employment during each calendar year until the employer

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17 is eligible for a rate calculation based on experience as defined in this chapter, except as
18 provided in Code Sections 34-8-158 through 34-8-162.

19 (b) For periods on or after April 1, 1987, but on or before December 31, 1999, each new
20 or newly covered employer shall pay contributions at a rate of 2.64 percent of wages paid
21 by such employer with respect to employment during each calendar year until the employer
22 is eligible for a rate calculation based on experience as defined in this chapter, except as
23 provided in Code Sections 34-8-158 through 34-8-162.

24 (c) For periods on or after January 1, 2000, but on or before December 31, 2016, each new
25 or newly covered employer shall pay contributions at a rate of 2.62 percent of wages paid
26 by such employer with respect to employment during each calendar year until the employer
27 is eligible for a rate calculation based on experience as defined in this chapter, except as
28 provided in Code Sections 34-8-158 through 34-8-162.

29 (d) For periods on or after January 1, 2017, but on or before December 31, ~~2022~~ 2026,
30 each new or newly covered employer shall pay contributions at a rate of 2.64 percent of
31 wages paid by such employer with respect to employment during each calendar year until
32 the employer is eligible for a rate calculation based on experience as defined in this
33 chapter, except as provided in Code Sections 34-8-158 through 34-8-162."

34

SECTION 2.

35 Said title is further amended by revising the introductory language in subsections (c) and (e)
36 of Code Section 34-8-155, relating to benefit experience and variations from standard rate,
37 as follows:

38 "(c) For the periods prior to April 1, 1987, or after December 31, ~~2022~~ 2026, variations
39 from the standard rate of contributions shall be determined in accordance with the
40 following requirements:"

41 "(e) For the periods on or after January 1, 2000, but on or before December 31, ~~2022~~ 2026,
42 variations from the standard rate of contributions shall be determined in accordance with
43 the following requirements:"

44

SECTION 3.

45 Said title is further amended by revising Code Section 34-8-180, relating to creation of
46 administrative assessment upon all wages and assessments due quarterly, as follows:

47 "34-8-180.

48 (a) For the periods on or after January 1, 2000, but on or before December 31, 2016, there
49 is created an administrative assessment of 0.08 percent to be assessed upon all wages as
50 defined in Code Section 34-8-49, except the wages of:

51 (1) Those employers who have elected to make payments in lieu of contributions as
52 provided by Code Section 34-8-158 or who are liable for the payment of contributions
53 as provided in said Code section; or

54 (2) Those employers who, by application of the State-wide Reserve Ratio as provided
55 in Code Section 34-8-156, have been assigned the minimum positive reserve rate or the
56 maximum deficit reserve rate.

57 (b) For the periods on or after January 1, 2017, but on or before December 31, ~~2022~~ 2026,
58 there is created an administrative assessment of 0.06 percent to be assessed upon all wages
59 as defined in Code Section 34-8-49, except the wages of:

60 (1) Those employers who have elected to make payments in lieu of contributions as
61 provided by Code Section 34-8-158 or who are liable for the payment of contributions
62 as provided in said Code section; or

63 (2) Those employers who, by application of the State-wide Reserve Ratio as provided
64 in Code Section 34-8-156, have been assigned the minimum positive reserve rate or the
65 maximum deficit reserve rate.

66 (c) Assessments pursuant to this Code section shall become due and shall be paid by each
67 employer and must be reported on the employer's quarterly tax and wage report according
68 to such rules and regulations as the Commissioner may prescribe. The assessments
69 provided in this Code section shall not be deducted, in whole or in part, from the
70 remuneration of individuals in the employ of the employer. Any deduction in violation of
71 this subsection is unlawful."

72 **SECTION 4.**

73 Said chapter is further amended by revising Code Section 34-8-181, relating to additional
74 assessment for new or newly covered employer, as follows:

75 "34-8-181.

76 (a) For the periods on or after January 1, 2000, but on or before December 31, 2016, in
77 addition to the rate paid under Code Section 34-8-151, each new or newly covered
78 employer shall pay an administrative assessment of 0.08 percent of wages payable by it
79 with respect to employment during each calendar year until it is eligible for a rate
80 calculation based on experience as defined in this chapter, except as provided in Code
81 Section 34-8-158.

82 (b) For the periods on or after January 1, 2017, but on or before December 31, ~~2022~~ 2026,
83 in addition to the rate paid under Code Section 34-8-151, each new or newly covered
84 employer shall pay an administrative assessment of 0.06 percent of wages payable by it
85 with respect to employment during each calendar year until it is eligible for a rate
86 calculation based on experience as defined in this chapter, except as provided in Code
87 Section 34-8-158."

88 **SECTION 5.**

89 Said chapter is further amended by revising Code Section 34-8-185, relating to repealer of
90 the article, as follows:

91 "34-8-185.

92 This article shall stand repealed in its entirety on January 1, ~~2023~~ 2027."

93 **SECTION 6.**

94 Said title is further amended by revising subsection (c) of Code Section 34-9-368, relating
95 to reimbursement of self-insured employers or insureds, actuarial study required, and
96 dissolution of Subsequent Injury Trust Fund, as follows:

97 "(c) Upon or in contemplation of the final payment of all claims filed for subsequent
98 injuries for which claims are filed for injuries occurring on and prior to June 30, 2006, the
99 board of trustees shall adopt and implement resolutions providing for the final dissolution
100 of the Subsequent Injury Trust Fund. Such resolutions shall become effective when all
101 claims made for injuries occurring on and prior to June 30, 2006, have been fully paid or
102 otherwise resolved and shall include provisions for:

- 103 (1) The termination of assessments against insurers or self-insurers;
- 104 (2) The pro rata refund of assessments previously collected and unexpended, consistent
105 with the provisions of subsection (f) of Code Section 34-9-358;
- 106 (3) The termination of employment of the employees of the fund or the transfer of
107 employment of any employees to any other state agency desiring to accept them;
- 108 (4) A final accounting of the financial affairs of the fund; and
- 109 (5) The transfer of the books, records, and property of the fund to the custody of the
110 Department of Insurance.

111 Upon the completion of all matters provided for in such resolutions, but not later than
112 ~~December 31, 2023~~ December 31, 2025, the Subsequent Injury Trust Fund and the
113 members of its board of trustees shall be discharged from their duties except for such
114 personnel necessary to administer any remaining claims."

115

SECTION 7.

116 All laws and parts of laws in conflict with this Act are repealed.