

1 **State of Arkansas**
2 **79th General Assembly**
3 **Regular Session, 1993**
4 **By: Representatives Flanagin and Landers**

H.R.

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7 **HOUSE RESOLUTION**

8 FOR A STUDY OF THE FEASIBILITY OF ESTABLISHING A
9 COMPETITIVE STATE FUND FOR WORKERS_ COMPENSATION INSURANCE
10 COVERAGE.

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12 **Subtitle**

13 FOR A STUDY OF THE FEASIBILITY OF ESTABLISHING A
14 COMPETITIVE STATE FUND FOR WORKERS_ COMPENSATION INSURANCE
15 COVERAGE.

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17 WHEREAS, the cost of workers_ compensation insurance coverage has become
18 a serious burden for many employers and many such employers have been forced
19 into the high risk pool; and

20 WHEREAS, workers_ compensation claims filed by employees of self-insured
21 employers are significantly lower than claims of employees of employers who
22 carry commercial workers_ compensation insurance coverage, but the regulations
23 of the Workers_ Compensation Commission concerning self-insureds are very
24 limiting and only a relatively small number qualify to be self-insurers; and

25 WHEREAS, several states have established competitive state workers_
26 compensation funds and permit employers a choice of being covered by the
27 competitive state fund or purchasing commercial workers_ compensation
28 insurance coverage; and

29 WHEREAS, in many of the states that have established competitive state
30 workers_ compensation funds, employers save a significant amount by electing
31 to be covered by the fund, and in fact establishment of the competitive fund
32 has resulted in a reduction in commercial workers_ compensation insurance
33 rates,

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35 NOW THEREFORE,

1 BE IT RESOLVED BY THE HOUSE OF REPRESENTATIVES OF THE SEVENTY-NINTH GENERAL
2 ASSEMBLY OF THE STATE OF ARKANSAS:

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4 The Joint Interim Committee on Public Health, Welfare and Labor is
5 requested to make a study to determine the feasibility of the state of
6 Arkansas establishing a competitive state workers_ compensation fund.

7 BE IT FURTHER RESOLVED that the committee is requested to report its
8 findings and recommendations, including any proposed legislation to the
9 Eightieth General Assembly.

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