

# House Amendment 8436

PAG LIN

1 1 Amend Senate File 2337, as passed by the Senate, as  
1 2 follows:  
1 3 #1. Page 1, by inserting before line 1 the  
1 4 following:  
1 5 <Section 1. Section 87.4, Code 2007, is amended to  
1 6 read as follows:  
1 7 87.4 GROUP AND SELF=INSURED PLANS == TAX EXEMPTION  
1 8 == PLAN APPROVAL.  
1 9 For the purpose of complying with this chapter,  
1 10 groups of employers by themselves or in an association  
1 11 with any or all of their workers, may form insurance  
1 12 associations as hereafter provided, subject to such  
1 13 reasonable conditions and restrictions as may be fixed  
1 14 by the insurance commissioner; and membership in such  
1 15 mutual insurance organization as approved, together  
1 16 with evidence of the payment of premiums due, shall be  
1 17 evidence of compliance with this chapter.  
1 18 A self-insurance association formed under this  
1 19 section and an association comprised of cities or  
1 20 counties, or both, or the association of county fairs  
1 21 or a fair as defined in section 174.1, or community  
1 22 colleges as defined in section 260C.2 or school  
1 23 corporations, or both, or other political  
1 24 subdivisions, which have entered into an agreement  
1 25 under chapter 28E for the purpose of establishing a  
1 26 self-insured program for the payment of workers'  
1 27 compensation benefits are exempt from taxation under  
1 28 section 432.1.  
1 29 A plan shall be submitted to the commissioner of  
1 30 insurance for review and approval prior to its  
1 31 implementation. The commissioner shall adopt rules  
1 32 for the review and approval of a self-insured group  
1 33 plan provided under this section. The rules shall  
1 34 include, but are not limited to, the following:  
1 35 1. Procedures for submitting a plan for approval  
1 36 including the establishment of a fee schedule to cover  
1 37 the costs of conducting the review.  
1 38 2. Establishment of minimum financial standards to  
1 39 ensure the ability of the plan to adequately cover the  
1 40 reasonably anticipated expenses.  
1 41 A self-insured program for the payment of workers'  
1 42 compensation benefits established by an association  
1 43 comprised of cities or counties, or both, or the  
1 44 association of county fairs or a fair as defined in  
1 45 section 174.1, or community colleges, as defined in  
1 46 section 260C.2, or other political subdivisions, which  
1 47 have entered into an agreement under chapter 28E, is  
1 48 not insurance, and is not subject to regulation under  
1 49 chapters 505 through 523C. Membership in such an  
1 50 association together with payment of premiums due  
2 1 relieves the member from obtaining insurance as  
2 2 required in section 87.1. Such an association is not  
2 3 required to submit its plan or program to the  
2 4 commissioner of insurance for review and approval  
2 5 prior to its implementation and is not subject to  
2 6 rules or rates adopted by the commissioner relating to  
2 7 workers' compensation group self-insurance programs.  
2 8 Such a program is deemed to be in compliance with this  
2 9 chapter.  
2 10 The workers' compensation premium written on a  
2 11 municipality which is a member of an insurance pool  
2 12 which provides workers' compensation insurance  
2 13 coverage to a statewide group of municipalities, as  
2 14 defined in section 670.1, shall not be considered in  
2 15 the determination of any assessments levied pursuant  
2 16 to an agreement established under section 515A.15.>  
2 17 #2. Title page, line 1, by inserting after the  
2 18 word <insurance> the following: <and to  
2 19 self-insurance>.  
2 20 #3. By renumbering as necessary.  
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2 24 HOFFMAN of Crawford

2 25 SF 2337.303 82  
2 26 av/rj/21130