

STATE OF UTAH

Fund Information

FINET Name: (LBR) Employers' Reinsurance Fund

FINET Fund: 7240

Legal Name: Employers' Reinsurance Fund

Legal Authorization: UCA 34A-2-702

Earns Interest: Yes No **Earns Interest Authority:** UCA 34A-2-702 (2)(b)

Revenue Source(s):

1) Insurance premium tax

Description:

To provide compensation to individuals injured on the job when the injury is of a permanent nature. The fund was created for the purpose of making payments for industrial accidents or occupational diseases occurring on or before June 30, 1994. The payments shall be made in accordance with UCA 35-1 and 35-2.

(Fund through FY1984 was 710720.)

HB 205 (2001 GS) extends until December 31, 2004 the special assessment tax imposed on workers' comp insurance companies and certain employers (UCA 59-9-101.3). The special assessment was due to expire Jan. 1, 2001. The tax is deposited into this fund.

SB 108 (2008 GS) modified provisions related to receipt of workers' compensation benefits; removes offsets, clarifies application to persons whose compensation was reduced on or before May 4, 2008.

SB 15 (2009 GS) Created the Industrial Accident Restrict Acct (#1485), general fund restricted account funded by .5% of the premium income remitted to the state per UCA 59-9-101(2)(iv). If the balance in the account exceeds \$500,000 at the close of a fiscal year, the excess shall be transferred to the Uninsured Employers' Fund (#7241). The account does not earn interest. Modifies the purposes for which monies may be appropriated from the Workplace Safety Account (#1480) and places a cap on the fund beg/w FY 09, if balance exceeds \$500,000, excess is transferred to the Employers Reinsurance Fund (#7240). Names the Eddie P. Mayne Workplace Safety and Occupational Health Funding Program. Caps appropriations from the Workplace Safety Account to the Program at 20% of the premium income deposited in the prior year. Appropriates ongoing for FY 10 \$150,000.

HB 188 (2010 GS) Repealed the reduction in workers' compensation benefits on the basis of the receipt of Social Security retirement benefits. Tracked for possible impact to the Employers' Reinsurance Fund (#7240).

HB 209 (2011 GS) Modifies the limits on the amount of the workers' compensation premium assessment.

SB 160 (2014 GS) Modifies the Workers' Compensation Act to address settlements. Permits settlements after the 12 year statute of limitations as long as individual is still eligible for medical benefits. Permits settlements for claims under the Employers' Reinsurance Fund or the Uninsured Employers' Fund. Clarifies that a full and final settlement extinguishes the employer's obligations unless issues are preserved. Addresses method of payments under the full and final settlement.

Fund Balance History:

<u>Fund</u>	<u>Year</u>	<u>Beg Balance</u>	<u>Revenues</u>	<u>Expenses</u>	<u>Transfers</u>	<u>End Balance</u>
7240	1981	\$7,887,313	\$3,830,333	\$1,649,311	\$0	\$10,068,335
7240	1982	\$9,716,677	\$4,383,927	\$3,074,124	\$0	\$11,026,480
7240	1983	(\$9,312,520)	\$5,579,525	\$4,752,794	\$0	(\$8,485,789)
7240	1984	(\$8,485,789)	\$4,942,640	\$5,495,017	(\$64,100)	(\$9,102,266)
7240	1985	\$0	\$0	\$0	\$0	\$0
7240	1986	(\$14,099,566)	\$2,859,775	\$5,681,578	(\$74,300)	(\$16,995,669)
7240	1987	(\$44,000,250)	\$4,140,054	\$22,596,580	(\$76,500)	(\$62,533,276)
7240	1988	(\$62,533,276)	\$5,362,326	\$13,456,896	(\$74,800)	(\$70,702,646)

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7240	1989	(\$70,702,646)	\$9,979,253	\$19,527,493	(\$73,100)	(\$80,323,986)
7240	1990	(\$80,323,986)	\$9,364,525	\$40,264,802	(\$112,800)	(\$111,337,064)
7240	1991	(\$111,337,064)	\$13,675,346	\$43,794,154	(\$117,600)	(\$141,573,472)
7240	1992	(\$141,573,472)	\$14,941,895	\$96,356,658	(\$124,900)	(\$223,113,135)
7240	1993	(\$223,113,135)	\$18,186,428	\$75,388,209	(\$127,200)	(\$280,442,116)
7240	1994	(\$280,442,116)	\$20,202,579	\$80,409,715	(\$138,400)	(\$340,787,652)
7240	1995	(\$340,787,652)	\$22,991,104	\$53,822,021	(\$210,900)	(\$371,829,469)
7240	1996	(\$371,829,469)	\$23,083,394	\$202,195	(\$207,500)	(\$349,155,770)
7240	1997	(\$349,155,770)	\$74,751,397	\$259,053	(\$207,744)	(\$274,871,170)
7240	1998	(\$274,871,170)	\$29,512,773	\$14,334,504	(\$372,200)	(\$260,065,101)
7240	1999	(\$260,065,101)	\$22,127,342	\$28,977,352	(\$356,834)	(\$267,271,945)
7240	2000	(\$267,271,945)	\$27,569,458	\$90,187,388	(\$195,999)	(\$330,085,874)
7240	2001	(\$330,085,874)	\$40,749,505	\$276,240	(\$256,069)	(\$289,868,677)
7240	2002	(\$289,868,677)	\$24,436,640	\$6,980,109	(\$204,900)	(\$272,617,046)
7240	2003	(\$272,617,046)	\$36,416,477	\$17,761,223	(\$133,483)	(\$254,095,274)
7240	2004	(\$254,095,274)	\$39,489,801	\$16,181,255	(\$180,371)	(\$230,967,099)
7240	2005	(\$230,967,099)	\$46,934,205	\$23,694,113	(\$245,600)	(\$207,972,607)
7240	2006	(\$207,972,607)	\$44,587,414	\$5,369,971	\$0	(\$168,755,164)
7240	2007	(\$168,755,164)	\$82,515,314	\$135,232	\$0	(\$86,375,082)
7240	2008	(\$86,375,082)	\$52,847,430	\$11,913,285	\$0	(\$45,440,937)
7240	2009	(\$45,440,937)	\$43,285,691	\$51,532,071	\$2,931,165	(\$50,756,152)
7240	2010	(\$50,756,152)	\$10,996,928	\$17,096,750	(\$60,300)	\$56,916,274
7240	2011	(\$56,916,274)	\$13,946,765	\$30,489,330	(\$66,960)	(\$73,525,799)
7240	2012	(\$73,525,799)	\$13,284,871	\$5,927,908	(\$73,600)	(\$66,242,436)
7240	2013	(\$66,242,436)	\$14,402,959	\$17,391,250	(\$73,600)	(\$69,304,326)
7240	2014	(\$69,304,326)	\$17,180,436	\$205,535	(\$73,600)	(\$52,403,025)

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