

HOUSE BILL NO. HB0072

Worker's compensation-provision for adverse deviation.

Sponsored by: Joint Appropriations Committee

A BILL

for

1 AN ACT relating to worker's compensation; authorizing
 2 consideration of specified investment earnings for
 3 determining rates under the worker's compensation program;
 4 conforming provisions for the actuarially reasonable
 5 provision for adverse deviation; and providing for an
 6 effective date.

7

8 *Be It Enacted by the Legislature of the State of Wyoming:*

9

10 **Section 1.** W.S. 27-14-201(e)(i)(F), (vii)(A) and by
 11 creating a new paragraph (viii) is amended to read:

12

13 **27-14-201. Rates and classifications; rate surcharge.**

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15 (e) The division in fixing rates shall provide for
 16 the costs of benefits and the expenses of administering the

1 worker's compensation account allowed by law, subject to
2 the following:

3

4 (i) The account shall be one (1) account but
5 shall include provision for all expenses allowed by this
6 act, loss adjustment expenses and unpaid losses, including:

7

8 (F) An actuarially reasonable ~~contingency~~
9 ~~margin~~provision for adverse deviation to reflect the
10 uncertainty inherent in estimates of unpaid losses and loss
11 adjustment expenses.

12

13 (vii) For purposes of this section:

14

15 (A) "Fully reserved" means that the
16 workers' compensation account established by W.S.
17 27-14-701 has, in the opinion of a qualified actuary, funds
18 sufficient on a discounted basis to provide for all unpaid
19 loss and loss adjustment expenses as well as an actuarially
20 ~~appropriate~~reasonable provision for adverse ~~contingencies~~
21 deviation;

22

1 (viii) Investment earnings from the investment
2 of the amount held as the actuarially reasonable provision
3 for adverse deviation shall be considered revenue to the
4 worker's compensation account as provided in this
5 paragraph. The annual amount of investment earnings
6 available for consideration as revenue under this paragraph
7 shall be determined by the department in an amount equal to
8 not less than zero percent (0%) and not more than five
9 percent (5%) of the previous five (5) year average market
10 value of the amount held as the actuarially reasonable
11 provision for adverse deviation, calculated from the first
12 day of the fiscal year.

13

14 **Section 2.** This act is effective July 1, 2024.

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16

(END)