

Regular Session, 1999

HOUSE BILL NO. 492

BY REPRESENTATIVES DEWITT AND CRANE

WORKERS COMPENSATION: (Constitutional Amendment) Authorizes the Louisiana Workers' Compensation Corporation to participate in any plan, pool, association, guaranty fund, or insolvency fund

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18

A JOINT RESOLUTION

Proposing to amend Article XII, Section 8.1(F) of the Constitution of Louisiana, to authorize the Louisiana Workers' Compensation Corporation to participate in any plan, pool, association, guaranty fund, or insolvency fund authorized or required pursuant to the Insurance Code upon the extinguishment of the full faith and credit guarantee of the state; to provide for submission of the proposed amendment to the electors; and to provide for related matters.

Section 1. Be it resolved by the Legislature of Louisiana, two-thirds of the members elected to each house concurring, that there shall be submitted to the electors of the state of Louisiana, for their approval or rejection in the manner provided by law, a proposal to amend Article XII, Section 8.1(F) of the Constitution of Louisiana, to read as follows:

§8.1. Workers' Compensation

Section 8.1.

\* \* \*

(F) Guaranty Fund. The corporation shall be exempt from participation in and shall not join or contribute financially to or be

1 entitled to the protection of any plan, pool, association, or guaranty  
2 fund or insolvency fund authorized or required pursuant to the  
3 Insurance Code. However, upon the extinguishment of the full faith  
4 and credit guarantee of the state, the corporation shall no longer be  
5 exempt from participation in, contribution to, and protection under the  
6 insurance guaranty association fund created and operating under R.S.  
7 22:1375 et seq., of the Insurance Code. The corporation's participation  
8 in, contribution to, and protection under the insurance guaranty  
9 association fund shall be on a prospective basis only. This prospective  
10 participation, contribution, and protection shall only apply to claims  
11 arising from injuries occurring after the extinguishment of the full faith  
12 and credit guarantee.

13 Section 2. Be it further resolved that this proposed amendment shall be  
14 submitted to the electors of the state of Louisiana at the gubernatorial primary  
15 election to be held in 1999.

16 Section 3. Be it further resolved that on the official ballot to be used  
17 at said election there shall be printed a proposition, upon which the electors  
18 of the state shall be permitted to vote FOR or AGAINST, to amend the  
19 Constitution of Louisiana, which proposition shall read as follows:

20 To provide that, upon the extinguishment of the full faith and  
21 credit guarantee of the state, the Louisiana Workers'  
22 Compensation Corporation shall no longer be exempt or  
23 prohibited from participation in any association, guaranty fund,  
24 or insolvency fund authorized or required pursuant to the  
25 Insurance Code. To provide that the corporation's participation  
26 in the guaranty fund association shall be on a prospective basis

1                   only. To provide that the participation shall only apply to  
2                   claims arising from injuries occurring after the extinguishment  
3                   of the full faith and credit guarantee. (Amends Article XII,  
4                   Section 8.1(F))

---

DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument.

---

DeWitt, Crane

HB No. 492

Present constitution (Art. XII, §8.1(F)) exempts and prohibits the Louisiana Workers' Compensation Corporation from participation in or financial contribution to any plan, pool, association, or guaranty fund or insolvency fund authorized by the Insurance Code.

Proposed constitutional amendment retains the present constitution but provides that upon the extinguishment of the full faith and credit guarantee of the state the corporation shall no longer be exempt from participation in, contribution to, and protection under LIGA. Provides that the corporation's participation in, contribution to, and protection under LIGA shall be on a prospective basis only. Also provides that the provisions of the proposed constitutional amendment shall only apply to claims arising from injuries occurring after the extinguishment of the full faith and credit guarantee.

Provides for submission of the proposed amendment to the voters at the gubernatorial primary election in 1999.

(Amends Const. Art. XII, §8.1(F))

Summary of Amendments Adopted by House

House Floor Amendments to the reengrossed bill.

1. Limits the corporation's participation to the Louisiana Insurance Guaranty Association Fund (LIGA).
2. Limits the application of the provisions to certain claims and on a prospective basis only.