



State or Federal Issues Contacts: Please refer to the list of State Relations Executives at the end of this report.

## LEGISLATIVE ACTIVITY—LEGISLATIVE SESSION UPDATES

*This report contains descriptions and/or excerpts of relevant bills that passed the first chamber, passed the second chamber, or were enacted during the specific periods. In addition, a recap of significant legislative and judicial activity impacting the workers compensation system will be included in the first report published each month. This report is issued on a weekly basis throughout the legislative season, and it provides updates on the content of these bills if and when they progress through the legislative process. This report includes bills from states where NCCI provides ratemaking services (see state list under Contact Information) and the US Congress.*

### BILLS ENACTED

There were no relevant workers compensation-related bills enacted within the one-week period ending December 1, 2017.

### BILLS PASSING SECOND CHAMBER

There were no relevant workers compensation-related bills that passed the second chamber within the one-week period ending December 1, 2017.

### BILLS PASSING FIRST CHAMBER

There were no relevant workers compensation-related bills that passed the first chamber within the one-week period ending December 1, 2017.

## FEDERAL ISSUES

Issue	Update
<b>Terrorism Insurance Data Calls</b>	<p>NCCI has been working with the US Department of the Treasury's Federal Insurance Office (FIO) and the National Association of Insurance Commissioners (NAIC) on their respective terrorism insurance coverage data calls since they began in 2016. Each entity had previously undertaken separate data calls for which the industry was required to respond. NCCI was designated by both FIO and the NAIC as the sole source for the workers compensation data in each call in 2016 and 2017. Each of these designations relieved individual carriers from having to provide workers compensation data.</p> <p>For the 2018 data calls, FIO and the NAIC are working to converge their respective data calls into a single format. NCCI will continue to satisfy the workers compensation portion of the converged data call, and carriers will not need to provide any data. For the other covered Terrorism Risk Insurance Program Reauthorization Act (TRIPRA) lines of insurance, carriers will complete the converged template and submit a copy through both the FIO and NAIC portals.</p>
<b>US Department of the Treasury Report on Insurance Regulation</b>	<p>The US Department of Treasury has issued a report titled "A Financial System That Creates Economic Opportunities: Asset Management and Insurance." The report was issued in response to an executive order (EO) from the Administration that requires Treasury to identify laws and regulations that are inconsistent with the core principles for financial regulation outlined in the EO. The sole discussion of workers compensation in the report is undertaken in describing the states' role in ensuring availability of coverage through residual market mechanisms.</p> <p>The report recognizes the importance and effectiveness of the state-based system of insurance regulation and encourages enhanced coordination between state and federal regulators. Notably, the report signals a commitment by Treasury to realign FIO's operations with the following five areas of focus:</p>

	<ul style="list-style-type: none"> <li>• Promoting the state-based insurance regulatory system</li> <li>• Providing insurance policy expertise and advice to the federal government</li> <li>• Providing coordinated and collaborative leadership on insurance issues that engage the federal government and state insurance regulators</li> <li>• Protecting the US financial system and economy by advising the Secretary and the Federal Stability Oversight Council on insurance-related matters that may pose a threat to financial stability</li> <li>• Protecting financial security by promoting access to insurance products and administering the Terrorism Risk Insurance Program</li> </ul> <p>The report, which is available on <a href="http://ncci.com">ncci.com</a>, states that the realignment is intended to help promote the state-based insurance regulatory system and to make FIO's work more effective.</p>
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## STATE LEGISLATIVE ACTIVITY

State	Update
<b>Florida</b>	<p>Another first responder bill, <b>HB 629</b>, was prefiled on November 13. Similar to previously prefiled <b>SB 126</b>, this measure revises the burden of proof by which a mental or nervous injury must be demonstrated in first responders when determining eligibility for benefits for employment-related accidents and injuries. It removes the limitation that, for first responders, only medical benefits are payable for a mental or nervous injury unaccompanied by a physical injury.</p> <p>Also recently prefiled, <b>SB 258</b> relates to insurance rates, prohibiting attorney fees paid under the Workers Compensation Law and the Florida Insurance Code from being included in an insurer's rate base or used to justify a rate or rate change. This measure is similar to 2017's <b>SB 1684</b>, which was withdrawn from consideration.</p> <p><b>PCB COM 18-01</b> was passed by the House Commerce Committee and filed as <b>HB 7009</b>. This bill makes several changes to the workers compensation law, including changes related to:</p> <ul style="list-style-type: none"> <li>• Attorney fees</li> <li>• Reimbursement of health care facility outpatient medical care</li> <li>• Temporary disability benefits</li> </ul> <p>The measure also allows insurers to uniformly reduce premiums by no more than 5%, if they file an informational-only notice within 30 days, subject to regulatory oversight.</p>
<b>Montana</b>	<p>Passed during Gov. Steve Bullock's special legislative session to close a \$227 million budget shortfall, <b>SB 4</b> calls for the imposition of a 3% management fee on the Montana State Fund's investment portfolio for amounts exceeding \$1 billion.</p>
<b>New Hampshire</b>	<p>Prefiled workers compensation measures include:</p> <ul style="list-style-type: none"> <li>• <b>HB 1397</b>—Establishing a "Temporary Workers Bill of Rights"</li> <li>• <b>HB 1417</b>—Relating to failure to make timely payments to an employee under the Workers Compensation Law</li> <li>• <b>HB 1462</b>—Relating to health and dental benefits under workers compensation</li> <li>• <b>HB 1508</b>—Changing the weekly compensation for both temporary and permanent disability</li> <li>• <b>HB 1711</b>—Relating to drug rehabilitation</li> </ul>

## STATE COMMITTEE ACTIVITY

State	Update
<b>Montana</b>	<p>The Economic Affairs Interim Subcommittee met on November 8 to discuss, among other system issues, how other states administer their workers compensation residual market. NCCI testified and discussed differing state Plan and Pool approaches. An additional February hearing is anticipated.</p>
<b>Oregon</b>	<p>The Management-Labor Advisory Committee met on November 28 to discuss the elimination of "paid leave" from the definition of payroll to calculate an employer's workers compensation premium. NCCI provided actuarial analysis regarding the effect of such a proposal.</p>

## Contact Information

If you have any questions about the legislation or proposals mentioned, please contact the appropriate NCCI state relations executive (listed below) or a representative of your local insurance trade association.

State	State Relations Executive	Phone Number
IN, NC, SC, TN	Amy Quinn	803-356-0851
MO, NE, OK, SD	Carla Townsend	314-843-4001
HI	Carolyn Pearl	808-524-6239
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DC, MD, VA, WV	David Benedict	804-380-3005
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CT, ME, NH, RI	Justin Moulton	860-969-7903
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This report is informational and is not intended to provide an interpretation of state and federal legislation.