

## **HOUSE BILL 995:** Winston-Salem/WC/Third-Party Admin Def.

## 2017-2018 General Assembly

Committee: Senate State and Local Government. If **Date**: June 27, 2018

favorable, re-refer to Rules and Operations of

the Senate

**Introduced by:** Reps. Conrad, Terry, Lambeth, Hanes **Prepared by:** Brad Krehely

Analysis of: First Edition Committee Co-Counsel

OVERVIEW: House Bill 995 would exempt the City of Winston-Salem from having to register as a third-party administrator for the City's transit system.

**CURRENT LAW:** Two or more employers who self-insure their workers compensation obligations by pooling their liabilities to form a self-insured group are subject to the requirements of Part 1 of Article 47 of Chapter 58 of the General Statutes governing employer groups that pool their workers' compensation liabilities under the Workers' Compensation Act. A "third party administrator" or "TPA" is a person engaged by the self-insured group to provide it with day-to-day management of the group.

**BILL ANALYSIS:** House Bill 995 would modify the definition of "third party administrator" to exclude a municipal employer acting on behalf of the employees of a third-party entity managing a municipal transit system. This exclusion would only be applicable to the City of Winston-Salem.

**EFFECTIVE DATE:** Effective when it becomes law.

\*Jessica Sammons, Staff Attorney for the Legislative Analysis Division, contributed substantially to this summary.

