HOUSE RESEARCH

Bill Summary

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Background and Overview

This bill involves the Workers Compensation Reinsurance Association (abbreviated WCRA and pronounced "Wick-ra"), which is a private-sector nonprofit corporation created under state law. WCRA is a mandatory reinsurance system for insurance companies that provide worker's compensation insurance and for employers that self-insure for worker's compensation, including individually self-insured political subdivisions and pools of political subdivisions. Some large employers self-insure individually, while other employers self-insure as part of a group to spread the risk. WCRA is regulated under chapter 79 by the Minnesota Department of Commerce.

The bill would require WCRA to comply with the state data practices act (chapter 13) and the state open meeting law (chapter 13D), on the same basis as if it were a state agency. Under current law, WCRA is specifically exempted from the data practices act. The WCRA law now says nothing about the open meeting law, which means that WCRA is also exempt from that. Current law exempts WCRA from chapter 15, which governs state agencies generally, and this bill would not change that.

The bill also expands its board of directors by one seat and specifies that individual self-insured employers elect two board members and that self-insured groups of employers elect one board member.

1 **Conditions requiring membership.** Requires WCRA to comply with the state data practices act (chapter 13) and the state open meeting law (chapter 13D) on the same basis as a state agency.

2 **Board of directors.** Changes current law on membership on the WCRA board of directors. Current law gives self-insurers two seats on the board, without specifying whether those board members represent individual self-insured employers or employers who are in self-insurance pools. This section adds an additional board seat and specifies that individual self-insured employers will elect two board members and that group self-insured employers (including self-insurance pools of political subdivisions) will elect one board member.