

1 AN ACT concerning workers' compensation insurance.

2 **Be it enacted by the People of the State of Illinois,**
3 **represented in the General Assembly:**

4 Section 1. Short title. This Act may be cited as the
5 Workers' Compensation Insurance Fund Act.

6 Section 5. Creation of the Workers' Compensation Insurance
7 State Fund.

8 (a) There is hereby created an independent body corporate
9 and politic to be known as the Workers' Compensation Insurance
10 State Fund for the purpose of insuring employers against
11 liability for compensation under the Workers' Compensation
12 Act. The Fund shall consist of all premiums and penalties
13 received and paid into the Fund, of property and securities
14 acquired by and through the use of money belonging to the Fund,
15 and of interest earned upon money belonging to the Fund and
16 deposited or invested.

17 (b) The Fund shall be administered by the Department of
18 Insurance without liability on the part of the State. The Fund
19 shall be applicable to the payment of losses sustained on
20 account of insurance and to the payment of compensation under
21 the Workers' Compensation Act and of expenses of administering
22 the Fund.

23 (c) The Director of Insurance shall appoint 5 persons to be

1 the board of directors of the Workers' Compensation Insurance
2 State Fund and shall appoint a chairman from the 5 directors.
3 The directors shall be appointed for terms of 4 years, except
4 that all vacancies shall be filled for the unexpired term,
5 provided that the first 2 appointments that the Director makes
6 after the effective date of this Act shall serve a term of 2
7 years and the other 3 members shall serve a term of 4 years.
8 Thereafter, a member shall serve a term of 4 years. The members
9 of the board of directors shall appoint a manager of the
10 Workers' Compensation Insurance State Fund who shall serve at
11 their pleasure and such other officers and employees as they
12 may require for the performance of their duties and shall
13 prescribe the duties and compensation of each officer and
14 employee.

15 (d) It shall be the duty of the board of directors to
16 direct the policies and operation of the Workers' Compensation
17 Insurance State Fund to ensure that the Fund is run as an
18 efficient insurance company, remains actuarially sound, and
19 maintains the public purposes for which the Workers'
20 Compensation Insurance State Fund was created.

21 (e) The Workers' Compensation Insurance State Fund is
22 subject to and shall comply with the provisions of the Illinois
23 Insurance Code. For purposes of regulation, the Workers'
24 Compensation Insurance State Fund shall be deemed to be a
25 mutual insurer.