



STATE OF NEW YORK
INSURANCE DEPARTMENT
AGENCY BUILDING ONE
EMPIRE STATE PLAZA
ALBANY, NY 12257

Circular Letter No. 22 (2001)
August 17, 2001

TO: All Property/Casualty Insurance Companies and Reciprocal Insurers Authorized to Write Workers' Compensation Insurance

RE: Workers' Compensation Security Fund

STATUTORY REFERENCE: Sections 108 and 109 of the Workers' Compensation Law

Please be advised that determinations made in accordance with the requirements of Section 109 of the Workers' Compensation Law indicate that the net value of the Workers' Compensation Security Fund as of June 30, 2001 was less than \$74 million. Section 109 provides that when the net value of the Fund is less than \$74 million, contributions shall be resumed.

Section 108 of Article 6-A of the Workers' Compensation Law provides that for the privilege of carrying on the business of workers' compensation insurance in this state, every carrier (as defined in Section 106) shall pay into the Fund, on a quarterly basis, a sum equal to one percent of its net written premiums, less the amount of dividends paid to policyholders, as shown on the quarterly report return form required to be filed by Section 108.

Section 109.1 also provides that when the Superintendent determines, as of the end of any quarterly period, that the amount of assets in the Workers' Compensation Security Fund equals or exceeds \$74 million, no further payment under Section 108 shall be required to be made after that quarterly period. However, whenever as of any subsequent quarterly period, the amount of such assets is less than \$74 million, payments shall be resumed at the beginning of the next quarter.

The first quarterly payment will be due on or before November 15, 2001 for the quarter ending September 30, 2001. The required report forms, additional information and instructions will follow both in hard copy and on the Department website.

Please acknowledge receipt of this letter and refer any questions to:

Mr. Frank D'Amico
Director of Taxes and Accounts
New York State Insurance Department
Governor Nelson A. Rockefeller Plaza
Agency Building One
Albany, New York 12257

Very truly yours,

Gregory V. Serio
Superintendent of Insurance

