



**STATE OF NEW YORK
INSURANCE DEPARTMENT
ONE COMMERCE PLAZA
ALBANY, NY 12257**

**David A. Paterson
Governor**

**Eric R. Dinallo
Superintendent**

Circular Letter No. 11 (2008)

May 1, 2008

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 amount of assets in the Workers' Compensation Security Fund as of March 31, 2008 exceeds \$74 million dollars. Section 109 provides that when the amount of assets of the Fund equals or exceeds \$74 million dollars, no further contributions shall be required.

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 not more than two percent of its net written premiums, less the amount of dividends paid to policyholders, as shown on the quarterly return form required to be filed by Section 108.

Section 109.1 provides that when the Superintendent determines, as of the end of any quarterly period, the amount of assets in the Workers' Compensation Security Fund equals or exceeds \$74 million dollars, 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 dollars, contributions shall be resumed at the beginning of the next quarter.

The first quarterly contribution to be suspended will be the contribution due on or before May 15, 2008 for the quarter ending March 31, 2008. In addition, no quarterly returns will be required to be filed until contributions are resumed.

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

**Mark E. Daigneault
Director of Taxes and Accounts
New York State Insurance Department**

One Commerce Plaza
Albany, New York 12257

Sincerely,

Karen E. Cole
Director of Administration and Operations