

August 5, 2024

Finance Committee: 7-29-2024

RESOLUTION NO. 241-2024

**ADOPTING LOCAL LAW F (NO. ) FOR THE YEAR 2024, "REPEALING LOCAL LAW 3 FOR THE YEAR 1993 AND AMENDING LOCAL LAW 2 FOR THE YEAR 1956, "A LOCAL LAW ENUMERATING RULES AND REGULATIONS FOR THE ADMINISTRATION OF THE ST. LAWRENCE COUNTY SELF-INSURANCE PLAN"**

By Mr. Gennett, Chair, Finance Committee

**BE IT ENACTED** by the Board of Legislators of St. Lawrence County as follows:

I. TITLE

A local law enumerating rules and regulations for the administration of the St. Lawrence County Self-Insurance Plan

II. STATEMENT OF LEGISLATIVE FINDINGS AND INTENT

It is the intent of the St. Lawrence County Board of Legislators:

1. To equitably apportion the cost of participants consistent with the risk brought to the plan and the participant's recent experience, thereby encouraging participants to focus on accident prevention coupled with early and safely returning injured workers to productive work. Local Law No. 3 for the year 1993 is hereby REPEALED. Local Law No. 2 of 1956 [A Local Law enumerating Rules and Regulations for the Administration of the St. Lawrence County Self-Insurance Plan] to establish apportionment of costs to plan participants, together with such other amendments and additional new rules and regulations necessary for the efficient administration of the Self-Insurance Plan is hereby AMENDED; and
2. The apportioned funds will be exclusively used for plan operation, including all direct and indirect expenses; and
3. To allow "fire districts" with taxing authority or that are municipal corporations shall be eligible plan participants as an independent entity as provided under Workers' Compensation Law §60 provided such fire district, if currently apportioned as part of another participant, shall first agree with said participant how the ongoing liabilities of any claims incurred prior to such conversion shall be paid; and
4. To establish a method for making actuarial calculations of plan liabilities for any purposes (including the sum owing from an entity withdrawing from the plan and establishing a buy-in rate to entering participants), an installment methodology for both entering and withdrawing participants, provisions relating to the role and responsibilities of the plan administrator, determining the maximum reserve upon an actuarial determination of plan liabilities, requiring proof of medical testing for certain titles as prescribed by law, codifying the required labor management safety committee together with its powers, and methods of enforcement plan provisions and the governing law, including but not limited to, withholding of sales tax proceeds; and

5. Further, it is intended that any provision of Local Law No.2 of 1956 that is not amended by this local law shall remain in full force and effect as is currently in force and as amended hereto, if so amended hereto.

### III. STATUTORY AUTHORITY

Article V of the New York State Workers' Compensation Law provides:

§64, Administration of Plan: authorizes the County Legislature by local law to provide for the administration of the Self-Insurance plan including naming an administrator, provides that plan funds shall be placed in the custody of the County Treasurer and that the County Attorney is designated as the legal advisor to the Self-Insurance plan.

§65, Rules and Regulations: authorizes the County Legislature, by local law, to establish plan rules and regulations , including but not limited to, enforcement mechanisms and collections of any enforcement sanctions from participants.

§67, Annual Estimate; payments by participants: obligates the plan administrator to prepare an annual budget estimate and provides for the methods of notification to participants and the allocation amongst the Self-Insurance plan participants and collection method for non-payment.

§69, Reserve: authorizes the legislature by local law to establish a reserve of the Self-Insurance plan for payment against plan liabilities and the maximum amount of contribution to the reserve.

§71(1), Accrual of Liabilities: authorizes the legislature by local law to provide for operation of the Self-Insurance plan on an actuarial and/or experience rating basis, in whole or part, and once adopted may not thereafter be discontinued.

§74 Manner of Adoption of Local Laws: provides for the manner of the adoption of local laws under the Workers' Compensation Law in the manner prescribed in the Municipal Home Rule Law; yet shall not be subject to mandatory or permissive referendum.

### IV. RULES AND REGULATIONS

The rules and regulations for the administration of the St. Lawrence County Self-Insurance Plan is hereby promulgated:

#### A. Participation:

In addition to the county, participation in the St. Lawrence County Self-Insurance Plan shall be available to:

- Cities
- Towns
- Villages
- School Districts
- Rescue Squads
- Fire Districts

The participation of a town or village shall include: fire districts, fire protection districts, fire alarm districts and volunteer ambulance companies of the respective town or village under the terms and conditions as more fully set forth in the provisions of Workers' Compensation Law §63, unless said rescue squad or fire district is an independent participant as provided hereinafter.

**B. Entry and Withdrawal:**

Entry into the Plan by an eligible municipality, fire district or volunteer ambulance company, other than participants in the Plan on the effective date of this local law, shall be made by service upon the Administrator of a certified copy of the local resolution or legalizing act authorizing same on or before March 31st of the calendar year for the ensuing calendar year. Withdrawal by an eligible municipality from the Plan shall be made by service of a certified copy of the local resolution or legalizing act withdrawing from the Plan on or before March 31st of in the calendar year for the ensuing calendar year. Any withdrawal from the Plan shall require the payment of the withdrawing participant's equitable share of unfunded liabilities of the Plan, as calculated by an actuarial reserve estimate without discounting for present value.

**C. Appointment of Costs:**

Following the preparation of the annual estimate of projected amounts necessary for the ensuing calendar year, pursuant to Workers' Compensation Law §71, the share of the amounts chargeable to each participant shall be made using the classifications and loss costs adopted by the New York Compensation Insurance Rating Board to govern the underwriting of Workers Compensation and Employers Liability Insurance, Voluntary Compensation Insurance and Employers Liability Insurance in the State of New York. In the event that the New York Compensation Rating Board shall cease to promulgate said rates and classifications, the County Legislature shall by resolution identify another equitable means to identify costs by employee industrial classification.

**D. Payment by Participants:**

Each participant, except towns and Cities, shall pay the County Treasurer within thirty days after the commencement of its fiscal year the amount billed as its share of the annual estimate of the plan.

The amount due from each Town and City participating shall be included in the next succeeding tax levy against property taxable by the participant responsible therefor.

**E. Reserve:**

All funds of the Plan are to be held by the county treasurer as a separate fund as required under Workers' Compensation Law §64(2). In such fund, a self-insurance reserve is established in an amount not to exceed [\$200,000.00] where such sum represents the figure above the amount necessary to fully fund the actuarially determined outstanding ultimate liability of the Plan.

**F. Reporting of Required Medical Tests:**

Each Plan participant is responsible to provide medical tests and examinations as required by

law, licensing agency, or government entity having oversight over the participant's employee qualifications or standards. Upon compliance, but in any event within the timeframe required for compliance of such medical tests and examinations, the Plan participant shall provide confirmation or status to the Administrator of the completion of such required medical tests and examinations. The costs associated with any and all such tests shall be borne by the respective Plan participant.

#### G. Administrator Functions:

The plan administrator as appointed pursuant to Local Law No. 1 of 1956 shall have the following duties and authority within the annual estimate adopted, together with and in addition to such other duties as are required to administer the plan under the controlling laws and regulations that apply to the plan:

1. Prepare and recommend the annual estimate as set forth under WCL §67;
2. Secure a professional claims administrator, actuary and other required professional services for the implementation of the provisions of this local law;
3. Make safety recommendations to the Labor Management Safety Committee and engage safety professionals or trainers for any adopted safety measures;
4. Advise the legislature of significant changes to the Workers' Compensation Law, regulations and case law;
5. Settle plan claims or stipulate to plan claim resolutions. The administrator shall settle or stipulate to claim resolutions using a reasonable and prudent standard. In no event, other than medical exigency, shall the administrator voluntarily enter into such an agreement or stipulation if the amount to be paid, together with the total amounts expended for the given budget year will exceed the adopted budget for the given year. All such agreements and stipulations shall be reported to the chair at least quarterly;
6. Provide plan participants with all necessary forms at plan expense that are reasonably necessary for plan participants to file required claims forms, logs and reports;
7. Provide or arrange for participant "key employee" training on all plan procedural requirements, including, but not limited to, new claim and claim update reporting;
8. Report deficiencies of participant filing and reporting to the Labor-Management Committee or the legislature as prescribed herein for such action as authorized under Workers' Compensation Law §65(2).

#### H. Labor Management Safety Committee:

A Labor-Management Safety Committee is established under the plan as provided for under Workers' Compensation Law §71(2) and shall be constituted as directed therein. Within a line item in the annual estimate adopted for the plan, the Labor-Management Committee shall have the authority to:

1. Establish such plans and programs designed to educate public employees of the plan participants in proper health and safety procedures,
2. Design additional programs as may be appropriate to the development of a safe working environment in participants' facilities and job sites,
3. Publicize the availability of the plans and programs established by the Labor-Management Committee,
4. Review incident investigations in order to make safety recommendations to plan participants,

5. Receive notice of delinquency of plan participants from the administrator and take such action as it deems proper, including a penalty authorized under Workers' Compensation Law §65(2); excepting where the proposed penalty is for the participant to be expelled from the plan, such action shall be submitted to the legislature for authorization. No penalty imposed by the Labor-Management Committee shall exceed the penalty that the Workers Compensation Board is authorized to impose upon the plan.

Participants in the plan shall cooperate with the administrator and the Labor Management Committee by promptly filing all required reports, by aiding in the investigation of claims or incidents whether or not any injury occurred, by developing and enforcing safety programs adopted by the Labor Management Committee and by furnishing any additional aid or information that may be required to carry out the provisions and intent of the Workers' Compensation Law.

#### I. Penalties:

For any violation of the provisions of the foregoing section or of the requirements of the Workers' Compensation Law the Administrator may recommend to the Board of Legislators a penalty against any participant which shall not exceed One Thousand Dollars (\$1000.00). The Board of Legislators may upon resolution by a majority vote of the members present and voting upon roll call charge a penalty in excess of One Thousand Dollars (\$1,000.00) or expel such member from the plan. Any expulsion from the Plan shall require the payment of the expelled participant's equitable share of unfunded liabilities of the Plan, as calculated by an actuarial reserve estimate without discounting for present value.

#### J. Catastrophe Insurance:

The Administrator, subject to the approval of the legislature, may purchase excess insurance, the cost of which shall be an administrative expense of the plan and apportioned to the participants pro rata. A

#### V. DEFINITIONS

The terms as utilized in this local law shall have the meaning as set forth under Workers' Compensation Law §60 [Definitions] unless otherwise defined in this local law.

"Legislature" shall mean the legislature of the County of St. Lawrence.

#### VI. CONFLICTING LAWS

The provisions of this local law are intended to supersede the provisions of any other local law amending Local Law #2 of 1956 any conflicting provisions of such other amending local law notwithstanding.

The provisions of this local law are intended to be construed as consistent with the authorizing statutes as set forth in section 3 hereof and not in conflict therewith.

VII. SEVERABILITY

In the event any provision of this local law shall be determined to be invalid, illegal or unenforceable; the validity, legality and enforceability of the remaining provisions of this local law shall not in any way be affected or impaired thereby and such provision shall be ineffective only to the extent of such invalidity, illegality and unenforceability.

VIII. EFFECTIVE DATES

This local law shall take effect January 1, 1957; except that subdivision C of section 1 shall take effect August 1, 1956 together with the effective dates of subsequent amendments being made hereto by local law. The effective date of the amendments and additions made by and through the provisions herein contained is upon the adoption of the same by the legislature and filing with the Secretary of State.

STATE OF NEW YORK                    )  
  ) ss:  
COUNTY OF ST. LAWRENCE         )

I, Kelly S. Bigwarfe, Deputy Clerk of the St. Lawrence County Board of Legislators, **DO HEREBY CERTIFY** that I have compared this Resolution No. 241-2024 Entitled "Adopting Local Law F (No. ) for the Year 2024, "Repealing Local Law 3 for the Year 1993 and Amending Local Law 2 for the Year 1956, "A Local Law Enumerating Rules and Regulations for the Administration of the St. Lawrence County Self-Insurance Plan"", adopted August 5, 2024, with the original record in this office and that the same is a correct transcript thereof and of the whole of said original record.

Kelly S. Bigwarfe  
Kelly S. Bigwarfe, Deputy Clerk  
St. Lawrence County Board of Legislators  
August 6, 2024