79A.31 COMMERCIAL SELF-INSURANCE GROUP SECURITY FUND MEMBERSHIP; WITHDRAWAL FROM SELF-INSURERS' SECURITY FUND.

Subdivision 1. **Withdrawal.** Any group self-insurer that is a member of the self-insurers' security fund established under section 79A.09, may elect to withdraw from that fund and become a member of the commercial self-insurance group security fund established under section 79A.26. The transferring group shall be subject to the provisions and requirements of sections 79A.19 to 79A.32 as of the date of transfer. Additional security may be required pursuant to section 79A.24. Group self-insurers electing to transfer to the commercial self-insurance group fund shall not be subject to the provisions of section 79A.06, subdivision 5, including, but not limited to, assessments by the self-insurers' security fund. Notice of transfer must be filed by November 1 for all transfers that must be effective at midnight on December 31.

Subd. 2. **Transfer; notice to commissioner.** A group self-insurer shall provide to the commissioner written notice of its intent to transfer membership to the commercial self-insurance group security fund. The notice shall be sent at least 30 days prior to the date the group self-insurer requests membership in the commercial self-insurance group security fund.

Subd. 3. **Transfer of potential and contingent liabilities.** Upon transfer pursuant to subdivision 1, the commercial self-insurance group security fund shall assume all of the past, present, and future potential and contingent workers' compensation liabilities of the transferring group in the event of any bankruptcy or insolvency of that group or its failure to meet its obligations under this chapter and chapter 176.

Subd. 4. **Election.** A group self-insurer established after August 1, 1995, may elect to become a member of either the self-insurers' security fund or the commercial self-insurance group security fund. However, once the election is made, a group may not transfer to the other security fund.

History: *1995 c 231 art 2 s 40; 1996 c 305 art 1 s 26; 1998 c 339 s 11*