

=====
LC02520
=====

STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2006

—————
A N A C T

RELATING TO INSURANCE -- BEACON MUTUAL INSURANCE COMPANY

Introduced By: Senator Roger R. Badeau

Date Introduced: March 01, 2006

Referred To: Senate Labor

It is enacted by the General Assembly as follows:

1 SECTION 1. Section 4 of Chapter 410 of the 2003 Public Laws entitled "An Act Relating
2 to Insurance – Workers' Compensation Insurance Fund" is hereby amended to read as follows:

3 SECTION 4. Board of directors. – The board of directors shall be comprised of seven (7)
4 members, elected or appointed as provided in this section and the director of the department of
5 labor and training and the chief executive officer of the fund who shall be ex officio members.
6 Each director shall hold office until a successor is appointed and qualified. Except for ex officio
7 members, each director shall be a policyholder or an officer or employee of a policyholder. The
8 governor shall appoint four (4) directors and three (3) directors shall be elected by the fund's
9 policyholders. Each gubernatorial appointee shall be subject to the advice and consent of the
10 senate. In addition to the director of the department of labor and training, no more than one
11 member of the board may be an elected or appointed official of state or municipal government. At
12 least three (3) members of the board shall be policyholders of an officer or employee of a
13 policyholder which is a for profit entity No member other than the chief executive officer may
14 represent or be an employee of an insurance company. The terms of board members, except for
15 ex officio members, shall be four (4) years in accordance with the provisions for the election and
16 classification of directors as may be established in the fund's bylaws. Any vacancy occurring
17 during the term of any director shall be filled as provided in the fund's bylaws in the same manner
18 as a member's predecessor. The board shall annually elect a chairperson from among its
19 members, and any other officers it deems necessary for the performance of its duties.

1 SECTION 2. This act shall take effect upon passage.

=====
LC02520
=====

EXPLANATION
BY THE LEGISLATIVE COUNCIL
OF
A N A C T
RELATING TO INSURANCE -- BEACON MUTUAL INSURANCE COMPANY

- 1 This act would subject the governor's appointments to the Beacon Mutual Insurance
- 2 Company's board of directors to the advice and consent of the senate.
- 3 This act would take effect upon passage.

=====
LC02520
=====