

Old Fund Transfer History:

Prepared 5/20/2010

BUSINESS & LABOR

EXHIBIT NO. 2  
DATE 2-16-11  
BILL NO. SB 293

Jun-89 – (\$20,000,000) GF \$20,000,000 OF

HB 56 – Transfer of \$20 million from the General Fund to workers' compensation tax account.

May-90 – (\$12,000,000) OF \$12,000,000 NF

MSF received \$12 million start up and then became funded solely by insurance premiums and investment income from premiums. Chapter 4 Session Law, Special Session 1990

Oct-93 - (\$21,321,007) OF \$21,321,007 NF

From Feb-93 through Oct-93 Old Fund borrowed from New Fund to pay claims for benefit payments. Total amount borrowed was \$21,000,000. Interest on funds borrowed was \$321,007.

In October, 1993, 'Bond proceeds were used to repay \$21,321,007 million in loan principal and interest to the New Fund...' FY94 LAD Financial Compliance Audit report – Note 5

Funds borrowed by the Old Fund from the New Fund are also documented in the FY93 LAD Financial Compliance Audit.

Sep-96 – \$102,300,000 OF (\$102,300,000) NF

MSF Board of Directors meeting: dividend returns money to the state. The \$102.3 million dividend repays the \$12 million initial funding and pays down Old Fund bonds. MSF Board minutes – Sept. 14, 1996

Jul-97 – \$63,800,000 OF (\$63,800,000) NF

SB 67 ended the requirement that dividends must be paid to the Old Fund and set up a test under which the payroll tax could terminate. MSF transfers \$63.8 million to the Old Fund.

Jun-97 – \$10,000,000 GF (\$10,000,000) NF

Jun-98 – \$10,000,000 GF (\$10,000,000) NF

MSF repaid \$20 million received by the Old Fund under HB 56 to the General Fund.

Jul-01 – (\$6,765,000) OF \$6,765,000 NF

Jul-02 – (\$7,407,512) OF \$7,407,512 NF

\$14 million in Old Fund excess returned to MSF under law in effect at that time.

Aug-02 – \$4,000,000 GF (\$4,000,000) OF

SB 19 transferred \$4 million of Old Fund excess to the General Fund and set up study committee to report to the 58<sup>th</sup> Legislature on the structure of MSF.

Jun-03 – \$18,268,000 GF (\$18,268,000) OF

HB 363 removed the reserve requirements from the Old Fund and transferred 18.2 million as well as any future excess to the General Fund from the Old Fund.

Jun-04 – \$815,605 GF (\$815,605) OF

Old Fund excess transferred to General Fund for a total of \$23 million under current law.