



*Frank Keating*  
Governor

**FILED**  
JUN 25 1997  
OKLAHOMA SECRETARY  
OF STATE

**EXECUTIVE DEPARTMENT**

**EXECUTIVE ORDER 97-15**

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I, Frank Keating, Governor of the State of Oklahoma, pursuant to the authority vested in me by Sections 1 and 2 of Article VI of the Oklahoma Constitution and with the agreement of the President Pro Tempore of the Senate and the Speaker of the House of Representatives, hereby establish a Task Force to study and make recommendations regarding potential sale of the State Insurance Fund.

The membership of the Task Force shall consist of nine members, three of whom shall be appointed by the Governor, three appointed by the President Pro Tempore of the Senate, and three appointed by the Speaker of the House of Representatives. The three appointing authorities shall mutually agree on a Chairman and Vice Chairman.

The mission of the Task Force shall be to determine whether it would be in the best interest of the state to sell the State Insurance Fund to a private entity. In order to make that determination, the Task Force shall evaluate and make findings regarding the following:

- Can the private market adequately meet the workers' compensation needs of the Oklahoma employers participating in the State Insurance Fund?
- If there are certain high risk or difficult-to-insure cases which are unacceptable to the private market, how should those cases be handled subsequent to sale?
- Which of the assets of the State Insurance Fund should be sold? All accounts; all accounts except high risk accounts; private accounts only; or private and the State's accounts.
- Are there precedents in other states for sale of a state fund? What are the results of the sale in those states?
- How should the State meet the workers' compensation needs of its employees subsequent to sale?
- How many and what type of potential buyers might be interested in the State Insurance Fund accounts?

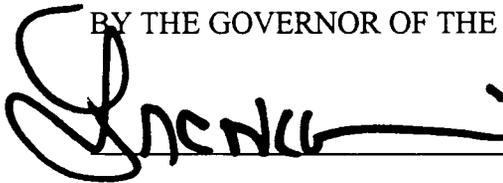
- Would a sale impact workers' compensation insurance rates?
- Are there state laws which need to be modified or repealed in the event of a sale of the State Insurance Fund?
- How are insurance accounts typically priced in a purchase transaction? What proceeds should the State expect to receive?
- Who has claim to the proceeds of a sale and how should the proceeds of a sale be distributed?
- In the event of a sale, what would be the impact on the Special Indemnity Fund?
- What is an appropriate schedule, including a timeframe for developing a Request for Proposal, for consummation of a sale?
- What would a potential sale mean to State employment, facilities, etc.?
- What intangible factors would influence the sale of these assets?

The Task Force shall meet at such times and places as designated by the Chairman. The Task Force shall submit a final report to the Governor, the Speaker of the House of Representatives and the President Pro Tempore of the Senate by December 1, 1997. The State Insurance Fund shall provide such resources as deemed necessary by the Task Force.

This Executive Order shall be forwarded to the Speaker of the House of Representatives and the President Pro Tempore of the Senate.

IN WITNESS WHEREOF, I have hereunto set my hand and caused the Great Seal of the State of Oklahoma to be affixed this 24<sup>th</sup> day of June, 1997.

BY THE GOVERNOR OF THE STATE OF OKLAHOMA



ATTEST:



Acting Assistant Secretary of State