

PROPOSED AMENDMENTS TO REENGROSSED HOUSE BILL NO. 1024

That the Senate recede from its amendments as printed on pages 1167-1169 of the House Journal and pages 1010-1012 of the Senate Journal and that Reengrossed House Bill No. 1024 be amended as follows:

Page 1, line 2, replace "amend and reenact section 3 of chapter 548 of the 1999 Session" with "authorize and provide an appropriation for additional full-time equivalent positions for the workers compensation bureau; to create and enact a new section to chapter 65-02 of the North Dakota Century Code, relating to the creation of a building maintenance account; and to amend and reenact sections 65-02-03.2 and 65-05.1-06.2 of the North Dakota Century Code, relating to workers compensation board members and workers' compensation vocational rehabilitation services"

Page 1, remove line 3

Page 1, line 4, remove "and to provide for retroactive application"

Page 1, remove lines 11 through 14

Page 1, line 16, replace "AMENDMENT. Section 3 of chapter 548 of the 1999 Session Laws is" with "**NORTH DAKOTA WORKERS COMPENSATION BUREAU FULL-TIME EQUIVALENT EMPLOYEE POSITIONS AUTHORIZATION - APPROPRIATION - REPORT TO BUDGET SECTION.** The North Dakota workers compensation board of directors may authorize the workers compensation bureau to hire, upon a determination that employees are needed to facilitate the economic and efficient administration of the bureau, up to ten full-time equivalent employee positions in addition to the full-time equivalent employee positions authorized in section 1 of this Act for the biennium beginning July 1, 2001, and ending June 30, 2003. There is appropriated out of any moneys in the workers' compensation fund, not otherwise appropriated, the sum of \$500,000, or so much of the sum as may be necessary, to the workers compensation bureau for the purpose of providing wages, salaries, and benefits for any additional full-time equivalent positions authorized under this section. The workers compensation board of directors shall report to the budget section of the legislative council on any additional full-time equivalent employee positions and related funding authorized.

SECTION 3. PROJECT AUTHORIZATION. The industrial commission, acting as the North Dakota building authority, may, at the request of the workers compensation board of directors, arrange for funding of an office building project authorized by this section, declared to be in the public interest, through the issuance of evidences of indebtedness under chapter 54-17.2, during the biennium beginning July 1, 2001, and ending June 30, 2003. The proceeds of the evidences of indebtedness and other available funds are appropriated during the period beginning July 1, 2001, and ending July 31, 2003, for a workers compensation bureau office building.

The industrial commission may issue evidences of indebtedness in the principal amount requested plus costs of issuance, capitalized interest, and any reasonable required reserves under this section with the condition that lease rental payments need not begin until July 1, 2003. This authority of the industrial commission to issue evidences of indebtedness ends June 30, 2003, but the industrial commission may continue to exercise all other powers granted to it under chapter 54-17.2 and this Act and to comply with any covenants entered into before that date.

SECTION 4. BOND ISSUANCE REPAYMENT RESPONSIBILITY. Funding must be made available by the workers compensation bureau from non-general fund sources to be appropriated to the industrial commission to retire the evidences of indebtedness issued for the project costs associated with the construction of the project authorized by this Act.

SECTION 5. LEGISLATIVE INTENT - WORKERS COMPENSATION BUREAU BUILDING - OTHER STATE AGENCIES LEASING. It is the intent of the legislative assembly that if a new facility is built to house the operations of the workers compensation bureau that the facility be built to include rental space for other state agencies and that the workers compensation bureau work with the office of management and budget to identify which agencies will lease space in the workers compensation bureau building and report to the budget section of the legislative council on plans for leasing to other agencies. The bureau shall set and collect rental amounts and maintain and control the building and its grounds.

SECTION 6. A new section to chapter 65-02 of the North Dakota Century Code is created and enacted as follows:

Building maintenance account - Continuing appropriation. There is a building maintenance account within the workers' compensation fund, to which the workers compensation bureau shall deposit all building rental proceeds if the workers compensation bureau builds a building that includes rental space for other state entities. The moneys in the account are appropriated on a continuing basis to the workers compensation bureau to pay bond principal and interest payments, operating, maintenance, repair, and payments in lieu of taxes expenses of the building and grounds. This account may be used only for the purposes identified in this section. The workers compensation bureau may either hire or contract for building maintenance and repair services anticipated by this section. The bureau shall report to the budget section of the legislative council on a biennial basis on all revenues deposited into this account and expenditures made from the account.

SECTION 7. AMENDMENT. Section 65-02-03.2 of the 1999 Supplement to the North Dakota Century Code is amended and reenacted as follows:

65-02-03.2. Compensation of board members. A board member is entitled to receive compensation ~~in the amount of sixty two dollars and fifty cents per day as determined by the board~~ for days spent in attendance at board meetings or other business as approved by the board. A board member is entitled to reimbursement for mileage and expenses as provided for state officers.

SECTION 8. AMENDMENT. Section 65-05.1-06.2 of the North Dakota Century Code is amended and reenacted as follows:

65-05.1-06.2. ~~Bids~~ Contract for vocational rehabilitation services. The bureau ~~shall solicit bids from~~ may contract with vocational rehabilitation vendors to provide vocational rehabilitation services ~~relative to vocational rehabilitation of claimants. The bureau shall contract with the lowest and best bidders to provide these services on a biennial basis.~~ The bureau shall determine the criteria that render a vocational rehabilitation vendor qualified. ~~The request for bids must contain a detailed outline of services each vendor will be expected to provide. The accepted bid is binding upon both the bureau and the rehabilitation vendor.~~ If additional services are determined to be necessary as a result of failed or inappropriate rehabilitation of an injured employee through no fault of the employee, the bureau may contract with the vendor for additional services. If the failure or inappropriateness of the rehabilitation of the injured employee is due to the vendor's failure to provide the necessary services to fulfill the contract, the bureau is not obligated to use that vendor for additional services on that claim and the bureau may refuse payment for a service that the vendor failed to perform which was a material requirement of the contract."

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:**House Bill No. 1024 - Workers Compensation Bureau - Conference Committee Action**

	EXECUTIVE BUDGET	HOUSE VERSION	CONFERENCE COMMITTEE CHANGES	CONFERENCE COMMITTEE VERSION	SENATE VERSION	COMPARISON TO SENATE
Salaries and wages	\$17,854,134	\$20,348,251	(\$20,348,251)			
Operating expenses	7,373,732	8,114,732	(8,114,732)			
Equipment	1,354,057	1,418,357	(1,418,357)			
Safety partnership grants	630,000	1,260,000	(1,260,000)			
Workers Compensation Bureau			31,641,340	\$31,641,340	\$45,641,340	(\$14,000,000)
Total all funds	\$27,211,923	\$31,141,340	\$500,000	\$31,641,340	\$45,641,340	(\$14,000,000)
Less estimated income	<u>27,211,923</u>	<u>31,141,340</u>	<u>500,000</u>	<u>31,641,340</u>	<u>45,641,340</u>	<u>(14,000,000)</u>
General fund	\$0	\$0	\$0	\$0	\$0	\$0
FTE	191.00	218.00	0.00	218.00	218.00	0.00

Dept. 485 - Workers Compensation Bureau - Detail of Conference Committee Changes

	CONSOLIDATE FUNDING INTO ONE LINE ITEM	PROVIDE FUNDING FOR ADDITIONAL FULL-TIME EQUIVALENT POSITIONS ¹	TOTAL CONFERENCE COMMITTEE CHANGES
Salaries and wages	(\$20,348,251)		(\$20,348,251)
Operating expenses	(8,114,732)		(8,114,732)
Equipment	(1,418,357)		(1,418,357)
Safety partnership grants	(1,260,000)		(1,260,000)
Workers Compensation Bureau	31,141,340	\$500,000	31,641,340
Total all funds	\$0	\$500,000	\$500,000
Less estimated income		<u>500,000</u>	<u>500,000</u>
General fund	\$0	\$0	\$0
FTE	0.00	0.00	0.00

¹ This amendment adds a section that authorized the Workers Compensation Board of Directors to allow the Workers Compensation Bureau to hire upon a determination that positions are needed to facilitate the economic and efficient administration of the bureau up to 10 FTE positions in addition to the FTE positions authorized by the 2001 Legislative Assembly and provides a special funds appropriation of \$500,000 for salaries, wages, and benefits for any additional FTE positions hired under this section. (This section was added by the Senate.)

This amendment also:

- Adds a section that allows the Industrial Commission at the request of the Workers Compensation Bureau to issue and sell bonds for the purchase of land and the construction of a new facility to house bureau operations.
- Adds a section of legislative intent that if a new facility is built to house the operations of the Workers Compensation Bureau, the facility be built to include rental space for other state agencies.
- Creates a new section to the North Dakota Century Code (NDCC) that establishes a building maintenance account in the workers' compensation fund to be used for deposit of all rental proceeds and for payment of all building operation, maintenance, and financing costs.
- Amends NDCC Section 65-02-03.2 to allow the Workers Compensation Board of Directors to set compensation for board members.
- Amends NDCC Section 65-05.1-06.2 to allow the Workers Compensation Bureau to contract for vocational rehabilitation services.