

PROPOSED AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1035

That the Senate recede from its amendments as printed on page 1062 of the House Journal and page 894 of the Senate Journal and that Engrossed House Bill No. 1035 be amended as follows:

Page 1, line 1, after "reenact" insert "subdivision a of subsection 1 of section 65-02-03.1 and"

Page 1, line 2, after "to" insert "the workforce safety and insurance board of directors and"

Page 1, after line 3, insert:

"SECTION 1. AMENDMENT. Subdivision a of subsection 1 of section 65-02-03.1 of the North Dakota Century Code is amended and reenacted as follows:

- a. Six board members represent employers in this state which maintain active accounts with the organization. Two of the employer members must be employers with annual premiums, which at the time of the member's initial appointment were greater than twenty-five thousand dollars; one of the employer members must be an employer with an annual premium, which at the time of the member's initial appointment was ~~at least ten thousand dollars~~ but less than twenty-five thousand dollars; one of the employer members must be an employer with an annual premium, which at the time of the member's initial appointment was less than ten thousand dollars; and two of the employer members must be employer at large representatives. Except for the employer at large representatives, each employer representative must be a principal owner, chief executive officer, or chief financial officer of the employer."

Page 1, line 10, after "surplus" insert "determined as of June thirtieth of each year"

Page 1, line 13, after "2." insert "If the level of financial reserves plus available surplus determined as of June thirtieth of any year is below one hundred twenty percent of the actuarially established discounted reserve the organization may not issue premium dividends and, notwithstanding section 65-04-01, the organization shall modify recommended premium rate levels so that the organization is estimated to come into compliance within the following two years.

3. If the level of financial reserves plus available surplus determined as of June thirtieth of any year is above one hundred forty percent of the actuarially established discounted reserve, the organization shall issue premium dividends in a fiscally prudent manner so that the organization is estimated to come into compliance with the requirements of subsection 1 within the following two years. However, premium dividends issued may not exceed fifty percent of the preceding year's premium in any given year.
4. If the level of financial reserves plus available surplus determined as of June thirtieth of any year is between one hundred twenty percent and one hundred thirty percent of the actuarially established discounted reserve, the organization may not issue premium dividends.
5. If the level of financial reserves plus available surplus determined as of June thirtieth of any year is one hundred thirty percent to one hundred forty percent of the actuarially established discounted reserve, the organization

may issue premium dividends. However, premium dividends issued may not exceed forty percent of the preceding year's premium in any given year, and the level of financial reserves plus available surplus may not be reduced below one hundred thirty percent.

6."

Page 1, line 17, replace "3." with "7."

Renumber accordingly