

Sixty-first  
Legislative Assembly  
of North Dakota

Introduced by

(At the request of the Workforce Safety and Insurance)

1 A BILL for an Act to amend and reenact subsection 31 of section 65-01-02, section 65-01-13,  
2 65-04-15, and 65-05-07.2 of the North Dakota Century Code, relating to the definition of wages,  
3 the information fund, the confidentiality of employer files and penalties applied to medical  
4 expense assessments; to repeal section 65-03-03, relating to rules for mine foremen.

5 **BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:**

6 **SECTION 1. AMENDMENT.** Subsection 31 of section 65-01-02 of the North Dakota  
7 Century Code is amended and reenacted as follows:

8 31. "Wages" means an employee's remuneration from all employment reportable to  
9 the internal revenue service as earned income for federal income tax purposes.  
10 For purposes of chapter 65-04, "wages" means all gross earnings of all  
11 employees. The term includes all pre-tax deductions for amounts allocated by the  
12 employee for deferred compensation, medical reimbursement, retirement, or any  
13 similar program, but may not include dismissal or severance pay.

14 **SECTION 2. AMENDMENT.** Section 65-01-13 of the North Dakota Century Code is  
15 amended and reenacted as follows:

16 **65-01-13. Information fund - Continuing appropriation.** There is hereby created a  
17 fund to be known as the information fund. ~~Workforce safety and insurance within the workforce~~  
18 safety and insurance fund, to which the organization shall deposit into this fund all moneys  
19 received from private citizens, businesses, associations, corporations, and limited liability  
20 companies for providing these entities with publications and statistical information concerning  
21 workforce safety and insurance matters. The information must be provided at cost. The  
22 moneys in the fund are appropriated, as a standing and continuing appropriation, to workforce  
23 safety and insurance to pay publication and statistical processing expenses incurred by the  
24 organization. ~~If on the first day of July in any year the amount of money in the information fund~~

~~is more than ten thousand dollars, the amount in excess of ten thousand dollars must be transferred to the organization's general fund.~~

**SECTION 3. AMENDMENT.** Section 65-04-15 of the North Dakota Century Code is amended and reenacted as follows:

**65-04-15. Information in employer's files confidential - Exceptions - Penalty if employee of organization divulges information.**

1. The information contained in an employer's file is confidential and not subject to section ~~44-04-18~~ disclosure under chapter 44-04 and section 6 of article XI of the Constitution of North Dakota; is for the exclusive use and information of the organization or its agents in the discharge of the organization's official duties; and is not open to the public nor usable in any court in any court action or proceeding unless the organization is a party to that court action or proceeding. The information contained in the file, however, may be tabulated and published by the organization in statistical form for the use and information of the state departments and of the public.
2. An employer file includes all documents and data pertaining to a person that pays premium to the organization, except for information relating to a grant award under section 65-03-04 that does not disclose payroll or premium information as provided in subsection 3 of this section.
3. Upon request, the organization shall disclose the rate classification of an employer to the requester; however, the organization may not disclose any information that would reveal the amount of payroll upon which that employer's premium is being paid or the amount of premium the employer is paying. The organization may disclose whether an employer's file is active, canceled, closed, pending, delinquent, or uninsured. The information in the employer's file may not be released in aggregate form, except to those persons contracting with the organization for exchange of information pertaining to the administration of this title, except upon written authorization by the employer for a specified purpose, or at the discretion of the organization with regard to delinquent and uninsured employers. Disclosure by a public servant of information contained in an employer's report, except as otherwise allowed by law, is a violation of section

12.1-13-01. Anyone who is convicted under section 12.1-13-01 is disqualified from holding any office or employment with the organization.

4. The organization may, upon request of the state tax commissioner or the secretary of state, furnish to them a list of employers showing only the names, addresses, and organization file identification numbers of such employers as those files relate to this chapter; provided, that any such list so furnished must be used by the tax commissioner or the secretary of state only for the purpose of administering their duties. The organization may provide any state or federal agency information obtained pursuant to the administration of this title. Any information so provided must be used only for the purpose of administering the duties of that state or federal agency.

5. Whenever the organization obtains information on activities of a contractor doing business in this state of which officials of the secretary of state, job service North Dakota, or tax commissioner may be unaware and that may be relevant to the duties of those officials, the organization shall provide any relevant information to those officials for the purpose of administering their duties.

6. The organization may provide any state agency or a private entity with a list of names and addresses of employers for the purpose of jointly publishing or distributing publications or other information pursuant to section 54-06-04.3. Any information so provided may only be used for the purpose of jointly publishing or distributing publications or other information as provided in section 54-06-04.3.

**SECTION 4. AMENDMENT.** Section 65-05-07.2 of the North Dakota Century Code is amended and reenacted as follows:

**65-05-07.2. Payment to organization for certain claims.** The employer shall reimburse the organization for all medical expenses related to a compensable injury to an employee if the expenses are not more than two hundred fifty dollars and shall reimburse the organization for the first two hundred fifty dollars of medical expenses when the expenses are more than two hundred fifty dollars. If a claim for benefits is filed with the organization by midnight central time on the first business day following the workplace injury, the organization shall pay the first two hundred fifty dollars of medical expenses. A claim is filed by submitting a form furnished by the organization or by another method designated by the organization. ~~If a~~

~~claim for benefits is filed with the organization more than fourteen days from the date the employer received notice of the workplace injury from the employee, the employer shall reimburse the organization for the first three hundred fifty dollars of medical expenses when the expenses are greater than three hundred fifty dollars. If an employee's compensable injury is determined through a civil action to have been sustained through the fault or negligence of a third person, or if a settlement has been entered between the employee and a third person through which the third person agrees to compensate the employee for the injury, the organization, upon receipt of its subrogation interest, shall credit the account of the employer to the extent of the payment made by the employer to the organization under this section. Upon the organization's determination that the claim is compensable, the organization shall pay the medical expenses associated with the claim and notify the employer of payments to be made by the employer under this section. If the employer does not pay the organization within thirty days of notice by the organization, the organization may impose a penalty on that employer. The penalty may not exceed one hundred twenty-five percent of the payment owed by the employer. The organization shall collect the penalty in a civil action against the employer and deposit the money in the fund. An employer may not directly or indirectly charge an injured employee for any payment the employer makes on a claim. Except as otherwise provided, if the cost of an injured employee's medical treatment exceeds two hundred fifty dollars, the organization shall pay all further medical expenses. This section is effective for all compensable injuries that occur after July 31, 1995. Compensable injuries paid under sections 65-06.2-04 through 65-06.2-08 are not subject to this section.~~

**SECTION 5. REPEAL.** Section 65-03-03 of the North Dakota Century Code is repealed.