

Sixty-first
Legislative Assembly
of North Dakota

Introduced by

(At the request of the Insurance Commissioner)

A BILL for an Act to create and enact a new chapter to title 26.1 of the North Dakota Century Code, relating to examination of workforce safety and insurance by the insurance commissioner; and to provide an appropriation.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. A new chapter to title 26.1 of the North Dakota Century Code is created and enacted as follows:

Examination of and reporting from workforce safety and insurance - Report to governor - Confidentiality. Notwithstanding any other provision of law:

1. The commissioner may address to workforce safety and insurance an inquiry in relation to the activities, condition, or any other matter connected with the transactions of workforce safety and insurance. Workforce safety and insurance shall reply in writing to such an inquiry within twenty days of receipt of the inquiry unless within that twenty days workforce safety and insurance requests and the commissioner grants an extension of time. The records of workforce safety and insurance are open to inspection by the commissioner without notice. In addition to any other information the commissioner may request, workforce safety and insurance shall make regular monthly reports to the commissioner in the form and manner prescribed by the commissioner which shall include information regarding claims, grievances, administrative hearings under chapter 28-32, appeals to courts of law, or any other information the commissioner deems appropriate. Workforce safety and insurance shall transmit to the commissioner, not later than September first of each year, an annual statement of its condition and business including a financial statement for the year ending on the preceding June thirtieth. Workforce safety and insurance shall also transmit to the commissioner its most recent

financial statements compiled on a quarterly basis within forty-five days following the calendar quarters ending September thirtieth, December thirty-first, and March thirty-first. The annual and quarterly statements must be prepared and filed in the form prescribed by the commissioner. It is a violation of this title for a person to knowingly supply the commissioner with false, misleading, or incomplete information.

2. The commissioner or the commissioner's designee may conduct an examination of workforce safety and insurance whenever the commissioner in the commissioner's sole discretion deems appropriate. The commissioner shall determine the nature and scope of the examination which may include examining workforce safety and insurance policies and procedures; whether its financial records or statements fairly present its true financial condition; its fund balance; the appropriateness of its investments; its premium rates; the performance of programs and functions; risk management; or any other area deemed necessary by the commissioner in order to improve cost-effective, efficient services with public accountability.
3. Upon completion of the examination described in subsection 2, the commissioner shall submit to the governor a report that sets forth the conditions that exist that prevent the effective or efficient operation of workforce safety and insurance and recommends a course to remedy these conditions. The governor shall review the report and direct a course of action to be implemented by the director of workforce safety or recommend a course of action to the legislative assembly if legislative action is necessary to remedy any conditions. This section does not limit or restrict the other powers, duties, and authority of the governor.
4. The commissioner shall maintain as confidential any confidential documents or information received from workforce safety and insurance. The information may not be disclosed by the department unless otherwise allowed by law and is exempt from section 44-04-18.
5. Money in the workforce safety and insurance fund is appropriated on a continuing basis for the payment of the expense of conducting an examination described in this section.