

Sixty-second
Legislative Assembly
of North Dakota

ENGROSSED HOUSE BILL NO. 1056

Introduced by

Legislative Management

(Workers' Compensation Review Committee)

1 A BILL for an Act to amend and reenact section 65-02-30 of the North Dakota Century Code,
2 relating to the independent performance evaluation of workforce safety and insurance; and to
3 provide for application.

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

5 **SECTION 1. AMENDMENT.** Section 65-02-30 of the North Dakota Century Code is
6 amended and reenacted as follows:

7 **65-02-30. Independent performance evaluation - Organization development of**
8 **performance measurements - Continuing appropriation.**

9 ~~Biennially~~Once every four years, the director shall request the state auditor to select a firm
10 with extensive expertise in workers' compensation practices and standards to complete a
11 performance evaluation of the functions and operations of the organization during that
12 ~~biennium~~evaluation period. This may not be construed to require the firm to be a certified public
13 accounting firm. The firm's report must contain recommendations for departmental improvement
14 or an explanation of why no recommendations are being made. The director or the director's
15 designee, the chairman of the board or the chairman's designee, and a representative of the
16 firm shall present the evaluation report and any action taken to the legislative management's
17 workers' compensation review committee and to the governor. The director shall provide a copy
18 of the performance evaluation report to the state auditor. Except as otherwise provided in this
19 section, the workers' compensation review committee may select no more than four elements to
20 be evaluated in the performance evaluation and shall inform the state auditor of the selected
21 items to be evaluated. The state auditor shall include the elements selected by the committee in
22 the performance evaluation, but the state auditor may select additional elements to be
23 evaluated. The total number of elements, including those selected by the workers'
24 compensation review committee, may not exceed eight. In exceptional circumstances, the state

1 auditor may include more than eight elements for evaluation. If more than eight elements are
2 selected, the state auditor shall report to the workers' compensation review committee the
3 additional elements selected and the exceptional circumstances to support the inclusion of the
4 additional elements. Money in the workforce safety and insurance fund is appropriated on a
5 continuing basis for the payment of the expense of conducting the performance evaluation. The
6 organization shall develop and maintain comprehensive, objective performance measurements.
7 These measurements may be evaluated as part of the independent performance evaluation
8 under this section.

9 **SECTION 2. APPLICATION.** An independent performance evaluation under section 1 of
10 this Act may not be initiated until after December 31, 2013.