

**HOUSE BILL NO. 1261**

Introduced by

Representatives Hoffner, Cleary

1 A BILL for an Act to amend and reenact section 65-02-03.1 of the North Dakota Century Code,  
2 relating to workers compensation board of directors composition.

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

4 **SECTION 1. AMENDMENT.** Section 65-02-03.1 of the 1997 Supplement to the North  
5 Dakota Century Code is amended and reenacted as follows:

6 **65-02-03.1. Workers compensation board of directors - Appointment.**

- 7 1. ~~Beginning September 1, 1997, the initial board of directors shall consist of the~~  
8 ~~members on the state advisory council on December 15, 1996. The initial board~~  
9 ~~shall submit to the governor a list of three names of potential candidates for each~~  
10 ~~of the employer member positions and the medical association position. From~~  
11 ~~each list the governor shall select an individual to fill the member position of the~~  
12 ~~subsequent board. An organization that is statewide in scope and which through~~  
13 ~~its affiliates embraces a cross section and a majority of organized labor in this state~~  
14 ~~shall submit to the governor a list of three names of potential candidates for one of~~  
15 ~~the three employee positions. The governor shall select an individual to fill this~~  
16 ~~organized labor employee member position, and the governor shall appoint two~~  
17 ~~individuals to fill the remaining two employee positions. The subsequent board is~~  
18 ~~effective January 1, 1998.~~
- 19 2. ~~After December 31, 1997, the~~ The board consists of ten members. The  
20 appointment and replacement of the members must ensure that:
- 21 a. ~~Six~~ Five board members represent employers in this state ~~that~~ which maintain  
22 active accounts with the bureau, at least one of which must be a participant in  
23 the risk management program, at least ~~two~~ one of which must be ~~employers~~  
24 an employer with an annual ~~premiums~~ premium greater than twenty-five

1                   thousand dollars, at least one of which must be an employer with an annual  
2                   premium of ten thousand dollars but less than twenty-five thousand dollars,  
3                   and at least one of which must be an employer with an annual premium of  
4                   less than ten thousand dollars.

5                   b. ~~Three~~ Four members represent employees; ~~at least one member of whom~~  
6                   must ~~have received~~ be receiving workers' compensation disability benefits;  
7                   and at least one ~~member must represent~~ of whom represents organized labor.

8                   c. One nonvoting member is a member of the North Dakota medical association.

9        ~~3.~~ 2. Board members shall serve six-year terms, except of the initial board members, an  
10       employee representative and two employer representatives shall serve only  
11       through December 31, 1998; an employee representative and two employer  
12       representatives shall serve only through December 31, 2000; and an employee  
13       representative, ~~two~~ the employee representative added to the board under this Act,  
14       an employer representatives representative, and the medical association  
15       representative shall serve only through December 31, 2002, as determined by lot  
16       to initiate a cycle that results in three members' terms expiring on December  
17       thirty-first of each even-numbered year, and beginning January first of each  
18       odd-numbered year. Board members may not serve more than two consecutive  
19       terms. A departing member representing an employer must be replaced by a  
20       member representing an employer, most of whose employees are in a different  
21       rate classification than those of the employer represented by the departing  
22       member. The governor shall appoint the replacement member for a departing  
23       employer representative or medical association representative from a list of three  
24       candidates submitted by the board. The governor shall select the replacement  
25       member for the departing organized labor employee representative from a list of  
26       three names of potential candidates submitted by an organization that is statewide  
27       in scope and which through its affiliates embraces a cross section and a majority of  
28       organized labor in this state, and the governor shall select the replacement  
29       member for a departing nonorganized labor employee representative.