

**HOUSE BILL NO. 1370**

Introduced by

Representatives Ruby, Iverson, M. Klein

1 A BILL for an Act to amend and reenact section 65-04-04.2 and subsection 1 of section  
2 65-07-03 of the North Dakota Century Code, relating to workers' compensation premium  
3 calculations; and to provide for application.

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

5 **SECTION 1. AMENDMENT.** Section 65-04-04.2 of the North Dakota Century Code is  
6 amended and reenacted as follows:

7 **65-04-04.2. Basis of calculating premiums.**

- 8 1. For each year, the amount of an employee's wages subject to premium  
9 calculations ~~must be determined as an amount equal to seventy percent of the~~  
10 ~~statewide average~~ is the employee's gross annual wage, hereafter referred to as  
11 ~~limited payroll~~, not to exceed four hundred percent of the statewide average annual  
12 wage rounded to the nearest one hundred dollars, determined by the bureau on or  
13 before July ~~first~~ second as calculated by job service North Dakota under  
14 subsection 3 of section 52-04-03.
- 15 2. The rates for each classification must be determined by:
- 16 a. Estimating the revenue needed by each employment classification;
- 17 b. Estimating the total ~~limited~~ payroll to be reported by all employers in each  
18 employment classification for the year; and
- 19 c. Dividing the estimated revenue needed by an employment classification by  
20 the estimated total ~~limited~~ payroll in that classification to determine the  
21 required average premium for that classification rate.

22 **SECTION 2. AMENDMENT.** Subsection 1 of section 65-07-03 of the North Dakota  
23 Century Code is amended and reenacted as follows:

1           1.    The amount of money derived on an annual basis from the business of an  
2                    employer or self-employed person as outlined in subdivision b of subsection 5 of  
3                    section 65-01-02 for purposes of determining the premium for coverage of an  
4                    employer, an employer's spouse, an employer's child over the age of seventeen, or  
5                    a self-employed person. This amount is subject to the maximum set forth in  
6                    section 65-04-04.2 and may not be less than one hundred percent of the limited  
7                    payroll required to be reported for an employee in statewide average annual wage  
8                    determined by the bureau before July second as calculated by job service North  
9                    Dakota under subsection 4 3 of section ~~65-04-04.2~~ 52-04-03, rounded to the  
10                  nearest one hundred dollars.

11            **SECTION 3. APPLICATION OF ACT.** This Act applies to all account renewals  
12    occurring after June 30, 2003.