

**HOUSE BILL NO. 1038**

Introduced by

Legislative Council

(Workers' Compensation Review Committee)

1 A BILL for an Act to create and enact a new section to chapter 65-05 of the North Dakota  
2 Century Code, relating to workers' compensation additional benefits payable; to amend and  
3 reenact subsection 5 of section 65-05-07 and sections 65-05-16, 65-05.1-08, and 65-05.2-01 of  
4 the North Dakota Century Code, relating to workers' compensation benefits for the  
5 catastrophically injured, additional benefits payable, death benefits, supplemental benefits,  
6 loans for education; to provide for application; and to declare an emergency.

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

8 **SECTION 1. AMENDMENT.** Subsection 5 of section 65-05-07 of the North Dakota  
9 Century Code is amended and reenacted as follows:

10 5. If the injured employee sustained a catastrophic injury, as defined in chapter  
11 65-05.1:

12 a. The organization may ~~not pay more than~~ an amount not to exceed fifty  
13 thousand dollars to provide permanent additions, remodeling, or adaptations  
14 to real estate it determines necessary ~~for a worker who sustains a~~  
15 ~~catastrophic injury as defined in chapter 65-05.1.~~ The fifty thousand dollar  
16 limit is for the life of the injured employee, regardless of any subsequent  
17 claim. This ~~subsection~~ subdivision does not allow the organization to  
18 purchase any real estate ~~or motor vehicles.~~

19 b. The organization may pay an amount not to exceed one hundred thousand  
20 dollars to provide the most cost-effective, specially equipped motor vehicle or  
21 vehicle adaptations it determines medically necessary. The organization may  
22 establish factors to be used in determining whether a specially equipped  
23 motor vehicle or adaptation is necessary. Under this subdivision, the  
24 organization may not pay for insurance of or maintenance of the motor

1                    vehicle. Within the dollar limit and under this subdivision, the organization  
2                    may pay for vehicle or adaptation replacement purchases. The dollar limit is  
3                    for the life of the injured employee, regardless of any subsequent claim.

4                    **SECTION 2.** A new section to chapter 65-05 of the North Dakota Century Code is  
5 created and enacted as follows:

6                    **Additional benefit payable - Alternative calculation.**

- 7                    1. This section applies to an injured employee who has a claim for which:  
8                    a. A compensable injury was incurred before August 1, 1995;  
9                    b. The date of first disability or the date of successful reapplication under  
10                    subsection 1 of section 65-05-08 was after July 31, 1995; and  
11                    c. The injured employee received a determination of permanent and total  
12                    disability before August 1, 2007.  
13                    2. An injured employee who meets the requirements of subsection 1 is entitled to an  
14                    alternative calculation of additional benefits payable instead of the calculation  
15                    provided for under section 65-05-09.4. For the limited purpose of this alternative  
16                    calculation, the organization shall use the calculation established under section  
17                    65-05-09.4 and shall consider that the injured employee's pre-August 1, 1995, date  
18                    of injury is also the injured employee's date of first disability.

19                    **SECTION 3. AMENDMENT.** Section 65-05-16 of the North Dakota Century Code is  
20 amended and reenacted as follows:

21                    **65-05-16. Death benefits payable.**

- 22                    1. The organization may pay benefits under this chapter in the case of the death of an  
23                    injured employee as the direct result of an injury sustained in the course of the  
24                    injured employee's employment when:  
25                    a. If there has been no disability preceding death, the death occurs within one  
26                    year after the date of the injury;  
27                    b. If there has been disability preceding death, the death occurs within one year  
28                    after the cessation of disability resulting from the injury; ~~or~~  
29                    c. If there has been disability ~~which~~ that has continued to the time of death, the  
30                    death occurs within six years after the date of injury; or

- 1           d. If there has been disability that has continued to the time of death, the death  
2           occurs more than six years after the date of injury, and the injured employee  
3           has been designated catastrophically injured as defined under section  
4           65-05.1-06.1.
- 5           2. The organization may not pay death benefits unless a claim is submitted within two  
6           years of the death and:
- 7           a. The death is a direct result of an accepted compensable injury; or  
8           b. If ~~no~~ a claim was not submitted by the deceased, the claim for death benefits  
9           is submitted within two years of the injury.

10           **SECTION 4. AMENDMENT.** Section 65-05.1-08 of the North Dakota Century Code is  
11 amended and reenacted as follows:

12           **65-05.1-08. Workforce safety and insurance educational revolving loan fund -**  
13 **Continuing appropriation.**

- 14           1. The organization may establish a revolving loan fund to provide a low-interest loan  
15           to an ~~individual who has suffered a compensable injury~~ injured employee or to a  
16           surviving spouse or dependent child of an injured employee whose death resulted  
17           from a compensable injury under section 65-05-16. The loan must be used to  
18           pursue an education at an accredited institution of higher education or an institution  
19           of technical education. In order to be eligible for a loan under this section, an  
20           individual must have obtained a high school diploma or its equivalent and either  
21           must be ineligible for retraining under this chapter or must have exhausted training  
22           and education benefits. The Bank of North Dakota and the organization shall  
23           establish eligibility requirements and make application determinations based on the  
24           established criteria. The application must require an applicant to demonstrate a  
25           viable education plan that will enable the individual to achieve gainful employment.
- 26           2. The total amount loaned annually under this section may not exceed two million  
27           five hundred thousand dollars. The maximum amount payable on behalf of an  
28           applicant may not exceed fifty thousand dollars and must be payable within five  
29           years. A loan must be repaid within a period not to exceed twenty years. A loan  
30           must be repaid at an interest rate established by the organization which may not  
31           exceed the rate of one percent below the Bank of North Dakota's prime interest

1 rate. The organization shall pay the Bank of North Dakota a negotiated fee for  
2 administering and servicing loans under this section. At the board's discretion,  
3 moneys to establish and maintain the revolving loan fund must be appropriated  
4 from the organization's workforce safety and insurance fund. The revolving loan  
5 fund is a special fund and must be invested pursuant to section 21-10-06.  
6 Investment income and collections of interest and principal on loans made from the  
7 revolving loan fund are appropriated on a continuing basis to maintain the fund and  
8 provide loans in accordance with this section. The board, as determined  
9 necessary, may transfer uncommitted moneys of the revolving loan fund to the  
10 workforce safety and insurance fund.

11 **SECTION 5. AMENDMENT.** Section 65-05.2-01 of the North Dakota Century Code is  
12 amended and reenacted as follows:

13 **65-05.2-01. Eligibility for supplementary benefits.**

- 14 1. A For claims filed before January 1, 2006, a workforce safety and insurance  
15 claimant who is receiving permanent total disability benefits, or death benefits, and  
16 who has been receiving disability or death benefits for a period of seven  
17 consecutive years is eligible for supplementary benefits. Eligibility for  
18 supplementary benefits under this subsection lasts as long as the claimant is  
19 entitled to permanent total disability benefits or death benefits.
- 20 2. For claims filed after December 31, 2005, a workforce safety and insurance  
21 claimant who is receiving permanent total disability benefits or death benefits and  
22 who has been receiving disability or death benefits for a period of at least three  
23 consecutive years is eligible for supplementary benefits. Eligibility for  
24 supplementary benefits under this subsection lasts as long as the claimant is  
25 entitled to permanent total disability benefits or death benefits.

26 **SECTION 6. APPLICATION.** Section 1 of this Act applies to all purchases and repairs  
27 that take place on or after the effective date of this Act, and section 3 of this Act applies to  
28 claims for death benefits filed on or after the effective date of this Act.

29 **SECTION 7. EMERGENCY.** This Act is declared to be an emergency measure.