

**HOUSE BILL NO. 1460**

Introduced by

Representatives Skarphol, Carlson, Dosch

Senator Christmann

1 A BILL for an Act to amend and reenact sections 65-02-03.1 and 65-02-03.2 of the North  
2 Dakota Century Code, relating to the workforce safety and insurance board membership and  
3 compensation; and to provide for transition.

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

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

7 **65-02-03.1. Workforce safety and insurance board of directors - Appointment.**

8 1. The board consists of ~~eleven~~ thirteen members. The chief information officer of  
9 the information technology department and the insurance commissioner serve as  
10 ex officio members of the board. The appointment and replacement of the  
11 members must ensure that:

- 12 a. Six board members represent employers in this state which maintain active  
13 accounts with the organization, at least one of which must be a participant in  
14 the risk management program, at least two of which must be employers with  
15 annual premiums greater than twenty-five thousand dollars, at least one of  
16 which must be an employer with an annual premium of ten thousand dollars  
17 but less than twenty-five thousand dollars, at least one of which must be an  
18 employer with an annual premium of less than ten thousand dollars, and at  
19 least one employer at large representative. ~~Except for the employer at large~~  
20 ~~representative, each~~ Each employer representative must be a principal  
21 owner, chief executive officer, or chief financial officer of the employer.
- 22 b. Three members represent employees; at least one member must have  
23 received workforce safety and insurance benefits; and at least one member  
24 must represent organized labor.

- 1 c. One member is a member of the North Dakota medical association.
- 2 d. One member is ~~a member at large who must be a resident of this state and at~~  
3 ~~least twenty one years of age~~ represents the health care industry.
- 4 2. ~~Board~~ Except for the ex officio board members, members shall serve four-year  
5 six-year terms, except the initial term of office of the member at large to be  
6 appointed on August 1, 2003, expires on December 31, 2006, and the term of  
7 office of the medical association member whose term of office became effective  
8 January 1, 2003, expires on December 31, 2006 and may not serve two or more  
9 consecutive terms. The governor shall make the necessary appointments to  
10 ensure the term of office of members begins on January first of each  
11 odd-numbered year. ~~Board members may not serve more than three consecutive~~  
12 ~~terms.~~ A departing member representing an employer must be replaced by a  
13 member representing an employer, most of whose employees are in a different  
14 rate classification than those of the employer represented by the departing  
15 member. The governor shall appoint the initial and any replacement member for a  
16 departing employer representative, health care industry representative, or medical  
17 association representative from a list of three candidates submitted by the board.  
18 The board shall interview an employer representative, a health care industry  
19 representative, or a medical representative before placing that candidate's name  
20 on the list of initial or replacement member candidates submitted to the governor.  
21 The governor shall select the replacement member for the departing organized  
22 labor employee representative from a list of three names of potential candidates  
23 submitted by an organization that is statewide in scope and which through its  
24 affiliates embraces a cross section and a majority of organized labor in this state.  
25 The governor shall select the replacement member for a departing nonorganized  
26 labor employee representative. ~~The governor shall appoint the replacement~~  
27 ~~member for the member at large from a list of three candidates submitted by the~~  
28 ~~board.~~ Vacancies in the membership of the board must be filled for the unexpired  
29 term by appointment by the governor as provided in this subsection.

30 **SECTION 2. AMENDMENT.** Section 65-02-03.2 of the North Dakota Century Code is  
31 amended and reenacted as follows:

1           **65-02-03.2. Compensation of board members.** A Except for ex officio members, a  
2 board member is entitled to receive compensation as determined by the board, including for  
3 days spent in attendance at board meetings or other business as approved by the board. A  
4 board member is entitled to reimbursement for mileage and expenses as provided for state  
5 officers.

6           **SECTION 3. TRANSITION.** Notwithstanding board membership and terms as of  
7 January 1, 2007, this section governs board terms and board membership transitions under  
8 section 1 of this Act. The ex officio members of the workforce safety and insurance board shall  
9 begin serving on the board on the effective day of this Act; the term of the member at large  
10 expires on December 31, 2007; the term of the representative of the health care industry begins  
11 on January 1, 2008, and is to run for five or seven years, as determined by the governor; the  
12 governor shall take the necessary measures to stagger the six-year terms, including shortening  
13 or lengthening a term; and existing members who have served two or more consecutive terms  
14 may continue their terms and then become ineligible for immediate reappointment.