

HOUSE BILL NO. 1160

Introduced by

Industry, Business and Labor Committee

(At the request of the Insurance Commissioner)

1 A BILL for an Act to create and enact a new section to chapter 26.1-01 of the North Dakota
2 Century Code, relating to examination of workforce safety and insurance by the insurance
3 commissioner; and to provide a continuing appropriation.

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

5 **SECTION 1.** A new section to chapter 26.1-01 of the North Dakota Century Code is
6 created and enacted as follows:

7 **Examination of and reporting from workforce safety and insurance - Report to**
8 **governor - Confidentiality - Continuing appropriation.** Notwithstanding any other provision
9 of law:

10 1. The commissioner may address to workforce safety and insurance an inquiry in
11 relation to the activities, condition, or any other matter connected with the
12 transactions of workforce safety and insurance. Workforce safety and insurance
13 shall reply in writing to such an inquiry within twenty days of receipt of the inquiry,
14 unless within that twenty days workforce safety and insurance requests and the
15 commissioner grants an extension of time. The records of workforce safety and
16 insurance are open to inspection by the commissioner without notice. In addition
17 to any other information the commissioner may request, workforce safety and
18 insurance shall make regular monthly reports to the commissioner in the form and
19 manner prescribed by the commissioner which shall include information regarding
20 claims, grievances, administrative hearings under chapter 28-32, appeals to courts
21 of law, or any other information the commissioner deems appropriate. Workforce
22 safety and insurance shall transmit to the commissioner, not later than September
23 first of each year, an annual statement of its condition and business, including a
24 financial statement for the year ending on the preceding June thirtieth. Workforce

- 1 safety and insurance shall also transmit to the commissioner its most recent
2 financial statements compiled on a quarterly basis, within forty-five days following
3 the calendar quarters ending September thirtieth, December thirty-first, and March
4 thirty-first. The annual and quarterly statements must be prepared and filed in the
5 form prescribed by the commissioner. It is a violation of this title for a person to
6 knowingly supply the commissioner with false, misleading, or incomplete
7 information.
- 8 2. The commissioner or the commissioner's designee may conduct an examination of
9 workforce safety and insurance whenever the commissioner, in the commissioner's
10 sole discretion, deems appropriate. The commissioner shall determine the nature
11 and scope of the examination which may include examining workforce safety and
12 insurance policies and procedures, whether its financial records or statements
13 fairly present its true financial condition, its fund balance, the appropriateness of its
14 investments, its premium rates, the performance of programs and functions, risk
15 management, or any other area deemed necessary by the commissioner in order
16 to improve cost-effective, efficient services with public accountability.
- 17 3. Upon completion of the examination described in subsection 2, the commissioner
18 shall submit to the governor a report that sets forth the conditions that exist that
19 prevent the effective or efficient operation of workforce safety and insurance and
20 recommend a course of action to remedy those conditions. The governor shall
21 review the report and direct a course of action to be implemented by the director of
22 workforce safety and insurance or recommend a course of action to the legislative
23 assembly if legislative action is necessary to remedy any conditions. This section
24 does not limit or restrict the other powers, duties, and authority of the governor.
- 25 4. The commissioner shall maintain as confidential any confidential documents or
26 information received from workforce safety and insurance. The information may
27 not be disclosed by the department unless otherwise allowed by law and is exempt
28 from section 44-04-18.
- 29 5. The funds necessary to pay the expense of conducting an examination described
30 in this section are appropriated on a continuing basis from the workforce safety and
31 insurance fund.