

MICROFILM DIVIDER

OMB/RECORDS MANAGEMENT DIVISION

SFN 2053 (2/85) 5M



ROLL NUMBER

DESCRIPTION

14412

2001 HOUSE INDUSTRY, BUSINESS AND LABOR

HB 1412


2001 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. HB 1412

House Industry, Business and Labor Committee

Conference Committee

Hearing Date Jan 30, 2001

Tape Number	Side A	Side B	Meter #
1	X		37.4
		X	-1.2
Committee Clerk Signature 			

Minutes: Chairman R. Berg, Vice-Chair G. Keiser, Rep. M. Ekstrom, Rep. R. Froelich, Rep. G. Froseth, Rep. R. Jensen, Rep. N. Johnson, Rep. J. Kasper, Rep. M. Klein, Rep. Koppang, Rep. D. Lemieux, Rep. B. Pietsch, Rep. D. Ruby, Rep. D. Severson, Rep. E. Thorpe.

Representative Scott Kelsh: Sponsoring bill to help defray medical costs for employer.

V.C. Keiser: What is the employer required to do?

R.S. Kelsh: Simply to provide first aid.

Dave Kennitz: ND AFL/CIO. We support this bill

Representative Boucher: Written testimony

Representative Dale Severson: Also sponsoring bill

David Thiele: (51.1) ND Workers Comp Litigation Council Written testimony opposed to bill

C. Berg: We'll close the hearing on HB 1412


2001 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. HB 1412

House Industry, Business and Labor Committee

Conference Committee

Hearing Date Jan 30, 2001

Tape Number	Side A	Side B	Meter #
1		X	1.91-25.68
Committee Clerk Signature 			

Minutes: Chairman R. Berg, Vice-Chair G. Keiser, Rep. M. Ekstrom, Rep. R. Froelich, Rep. G. Froseth, Rep. R. Jensen, Rep. N. Johnson, Rep. J. Kasper, Rep. M. Klein, Rep. Koppang, Rep. D. Lemieux, Rep. B. Pietsch, Rep. D. Ruby, Rep. D. Severson, Rep. E. Thorpe.

Rep Ruby: Sponsor of bill.

Tammy Dolan: **Written testimony in support.** This bill would be revenue neutral over all and with in each of the rate classes.

Mary Skar: Support bill to concentrate safety efforts on a new hire. Should do the cap at FICA levels.

Clyde Wetsch: *Skeels Electric* **Written testimony in opposition**

Gary Nelson: Opposed to bill because it is unfair to employers and the cap should stay on.

Chairman Berg: We'll close the hearing on HB 1429.

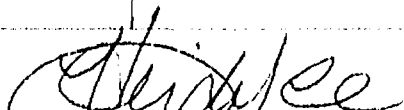
2001 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. HB 1412(B)

House Industry, Business and Labor Committee

Conference Committee

Hearing Date Feb 12, 2001

Tape Number	Side A	Side B	Meter #
1		X	16.16-31.5
Committee Clerk Signature 			

Minutes: Chairman R. Berg, Vice-Chair G. Keiser, Rep. M. Ekstrom, Rep. R. Froelich, Rep. G. Froseth, Rep. R. Jensen, Rep. N. Johnson, Rep. J. Kasper, Rep. M. Klein, Rep. Koppang, Rep. D. Lemieux, Rep. B. Pietsch, Rep. D. Ruby, Rep. D. Severson, Rep. E. Thorpe.

Rep Severson: This bill is addressed in HB 1152.

Rep M. Klein: I move a do not pass.

Rep Pietsch: I second.

13 yea, 2 nay, 0 absent Carrier Rep Ruby

FISCAL NOTE
 Requested by Legislative Council
 01/23/2001

Bill/Resolution No.: HB 1412

Amendment to:

1A. **State fiscal effect:** *Identify the state fiscal effect and the fiscal effect on agency appropriations compared to funding levels and appropriations anticipated under current law.*

	1999-2001 Biennium		2001-2003 Biennium		2003-2005 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues						
Expenditures						
Appropriations						

1B. **County, city, and school district fiscal effect:** *Identify the fiscal effect on the appropriate political subdivision.*

1999-2001 Biennium			2001-2003 Biennium			2003-2005 Biennium		
Counties	Cities	School Districts	Counties	Cities	School Districts	Counties	Cities	School Districts

2. **Narrative:** *Identify the aspects of the measure which cause fiscal impact and include any comments relevant to your analysis.*

**NORTH DAKOTA WORKERS COMPENSATION
 2001 LEGISLATION
 SUMMARY OF ACTUARIAL INFORMATION**

BILL DESCRIPTION: Preventive Treatment for Communicable Diseases

BILL NO: HB 1412

SUMMARY OF ACTUARIAL INFORMATION: North Dakota Workers Compensation, together with its actuary, Glenn Evans of Pacific Actuarial Consultants, has reviewed the legislation proposed in this bill in conformance with Section 54-03-25 of the North Dakota Century Code.

This bill will expand coverage to include "Preventive treatment for communicable diseases if exposure to the communicable disease results from performing an employer-required emergency medical procedure".

FISCAL IMPACT: We did not attempt to derive an estimate of the likely impact of the proposed change on rate and reserve levels because we do not have access to an appropriate base of historical experience to use in deriving the estimates.

DATE: January 26, 2001

3. **State fiscal effect detail:** *For information shown under state fiscal effect in 1A, please:*

A. **Revenues:** *Explain the revenue amounts. Provide detail, when appropriate, for each revenue type and fund affected and any amounts included in the executive budget.*

B. **Expenditures:** *Explain the expenditure amounts. Provide detail, when appropriate, for each agency, line item, and fund affected and the number of FTE positions affected.*

C. **Appropriations:** *Explain the appropriation amounts. Provide detail, when appropriate, of the effect on the biennial appropriation for each agency and fund affected and any amounts included in the executive budget. Indicate the relationship between the amounts shown for expenditures and appropriations.*

Name:	Paul R. Kramer	Agency:	ND Workers Compensation
Phone Number:	328-3856	Date Prepared:	01/26/2001

Date: 2-12-01
Roll Call Vote #: |

2001 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. ~~Click here to type Bill/Resolution No.~~ HB 1412

House Industry, Business and Labor Committee

- Subcommittee on _____
or
 Conference Committee

Legislative Council Amendment Number _____

Action Taken Do Not Pass

Motion Made By M. Klein Seconded By Pietsch

Representatives	Yes	No	Representatives	Yes	No
Chairman- Rick Berg	✓		Rep. Jim Kasper	✓	
Vice-Chairman George Keiser	✓		Rep. Matthew M. Klein	✓	
Rep. Mary Ekstorm		✓	Rep. Myron Koppang	✓	
Rep. Rod Froelich	✓		Rep. Doug Lemieux	✓	
Rep. Glen Froseth	✓		Rep. Bill Pietsch	✓	
Rep. Roxanne Jensen	✓		Rep. Dan Ruby	✓	
Rep. Nancy Johnson	✓		Rep. Dale C. Severson	✓	
			Rep. Elwood Thorpe		✓

Total (Yes) 13 No 2

Absent 0

Floor Assignment Rep Ruby

If the vote is on an amendment, briefly indicate intent:

REPORT OF STANDING COMMITTEE (410)
February 12, 2001 12:17 p.m.

Module No: HR-25-3038
Carrier: Ruby
Insert LC: . Title: .

REPORT OF STANDING COMMITTEE

HB 1412: Industry, Business and Labor Committee (Rep. Berg, Chairman) recommends
DO NOT PASS (13 YEAS, 2 NAYS, 0 ABSENT AND NOT VOTING). HB 1412 was
placed on the Eleventh order on the calendar.

2001 TESTIMONY

HB 1412

Testimony
Before the House Industry, Business, and Labor Committee

January 30, 2001

David Thiele, Senior Litigation Counsel
North Dakota Workers Compensation

Mr. Chairman, Members of the Committee:

My name is David Thiele and I am Senior Litigation Counsel for North Dakota Workers Compensation. I am here to testify in opposition to 2001 House Bill No. 1412. The Workers Compensation Board of Directors has reviewed this bill. After careful consideration the board determined that they could not support the bill. NDWC respectfully requests a "do not pass" on 2001 House Bill No. 1412.

NDWC has submitted 2001 House Bill No. 1152, which allows for preventive medical care for EMS providers as defined under Chapter 23-07.3, and also allows preventive treatment for rabies exposures. We believe 2001 House Bill No. 1152 meets the needs of those individuals who, due to the nature of their employment, may be exposed to infectious diseases such as HIV, hepatitis B, and hepatitis C.

One concern expressed about 2001 House Bill No. 1152 was that it would not cover "first responders." Research indicates that first responders would, in fact, be covered. The requirements for coverage under 2001 House Bill No. 1152 are that the individual be a firefighter, law enforcement officer, or "other person trained and authorized by law or rule to render emergency medical assistance or treatment." A first responder, who has 40 hours of training and is authorized by law or rule to render treatment, would be covered.

What 2001 House Bill No. 1412 does is expand the pool of potential claimants to the point where it is difficult to determine which employees would potentially be covered. The only requirement is that the individual be performing an "employer-required emergency medical procedure." The bill does

not define "employer-required." For example, if an employer stated that all employees are required to render aide to their coworkers would all employees be authorized preventive medical care? Arguably, they would. The bill also does not clearly define "communicable disease." The language could be interpreted to include ordinary diseases that are not covered, and were not intended to be covered, under current law or under 2001 House Bill No. 1152.

NDWC believes that before we expand coverage, particularly for isolated groups of employees, careful review and research should be conducted, as the unintended consequences of such legislation can be significant. In this particular case, we believe that 2001 House Bill No. 1152 meets that requirement. NDWC has been working for several years to come up with a satisfactory solution to the problem of emergency medical workers exposed to blood or bodily fluids and 2001 House Bill No. 1152 was introduced to meet that need. We came to that conclusion only after careful review of other state statutes, discussing how other states handle such issues, and how such a policy change could impact the fund and workers. Our research also revealed that the vast majority of states do not pay for preventive medical care in any instance. With House Bill No. 1152 we are carving out an exception that is unusual for workers' compensation and further expansion, such as proposed by 2001 House Bill No. 1412, must be very carefully evaluated. While the intent behind 2001 House Bill No. 1412 is laudable, NDWC respectfully requests that the House Industry, Business, and Labor Committee vote "Do Not Pass."

Thank you for your consideration. I will be glad to answer any questions you may have.

House Bill Numbers 1260, 1412, 1429, & 1436

Fifty-Seventh Legislative Assembly
Before the House Industry, Business, & Labor Committee
January 30, 2001
Testimony Regarding Workers Compensation Legislation

Good morning Chairman Berg, members of the House Industry, Business, and Labor Committee:

I'm Dick Johnsen and I am a member of the North Dakota Workers Compensation Board of Directors. I am here this morning to testify regarding the Board's position on several pieces of legislation that will affect the state's workers' compensation system.

In the interest of time, I will provide you with a brief description of four of the bills you will be hearing this morning and tell you about the recommendations the Board made regarding each of the bills.

The first is House Bill No. 1260, which the Board unanimously supports. House Bill No. 1260 would allow an employer with a deductible policy to keep 100% of the recovery in a third-party action if an injured worker or the Bureau chooses not to pursue the third-party for recovery of damages. This bill relates to a small number of employers, and it will not have an impact on rates or reserve levels.

The second bill is House Bill No. 1412. It would allow payment of preventive treatment for communicable diseases resulting from performing emergency medical procedures that an employer requires. The Board is opposed to this bill the way it is written because it is too broad. The Board agrees that amendments better defining the group covered and the type of diseases covered would enhance the bill and may make it easier to support.

House Bill No. 1429 is the third bill. This bill would eliminate the payroll cap and require NDWC to calculate premium based on gross payroll. This bill would include a payroll cap of four-times the state's average annual wage. The cap based on this year's figures would be approximately \$92,000. The Board unanimously supports this bill. The decision to move towards a gross payroll calculation is a recommendation from our most recent performance evaluation. Calculating premium on gross payroll is an industry standard and would allow North Dakota to more easily compare rates with other states. Any change to the system would be revenue neutral to the Bureau.

The final bill is House Bill No. 1436. The Board unanimously opposes this bill because it would repeal the \$250 medical assessment the Bureau collects from employers on each claim. The \$250 medical assessment accounts for approximately \$3 million in annual income for the Bureau. If NDWC were to do away with this assessment, premiums would have to be increased by about three percent. The Board also feels the assessment is a good way to remind employers of the importance of providing a safe workplace.

I thank you for your time and consideration this morning. On behalf of the Board of Directors, I ask for your favorable consideration on House Bills numbered 1260 and 1429. I ask that you do not give favorable consideration to House Bills numbered 1412 and 1436.