

**Department 485 - Workers Compensation Bureau
House Bill No. 1024**

	FTE Positions	General Fund	Other Funds	Total
2001-03 Schafer Executive Budget	191.00		\$27,211,923	\$27,211,923
1999-2001 Legislative Appropriations	<u>191.00</u>	<u></u>	<u>26,120,384</u>	<u>26,120,384¹</u>
Increase (Decrease)	<u>0.00</u>	<u>\$0</u>	<u>\$1,091,539</u>	<u>\$1,091,539</u>

2001-03 Hoeven Executive Budget	<u>191.00</u>	<u></u>	<u>\$27,211,923</u>	<u>\$27,211,923</u>
Hoeven Increase (Decrease) to Schafer	<u>0.00</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

¹ The 1999-2001 appropriation amounts include \$9,128 of other funds for the agency's share of the \$1.4 million funding pool appropriated to the Office of Management and Budget for assisting agencies in providing the \$35 per month minimum salary increases in July 1999 and July 2000.

Major Schafer Recommendations Affecting Workers Compensation Bureau 2001-03 Budget

	General Fund	Other Funds	Total
1. Increases funding for the operating line item to provide the Office of Independent Review funding to contract with an independent third party to conduct claims review and provide legal services.		\$345,000	\$345,000
2. Removes funding for 2 FTE positions in the Office of Independent Review due to contract with third party for claims review and legal services.		(\$147,777)	(\$147,777)
3. Provides funding for 2 new FTE positions in the Information Services Division.		\$278,038	\$278,038
4. Decreases funding for information technology contracting services due to the addition of 2 new FTE positions.		(\$1,112,640)	(\$1,112,640)
5. Reduces funding for building lease payments due to the completion of construction or purchase of a new office building in the second year of the biennium. 1999 House Bill No. 1266 (Chapter 548 of the North Dakota Session Laws) allows the agency to purchase a building after meeting certain requirements and is effective through July 31, 2003.		(\$466,000)	(\$466,000)
6. Reduces operating funding for the safety initiative program established in the 1999-2001 biennium to accurately reflect program costs.		(\$266,051)	(\$266,051)
7. Increases funding for the operating line item for increased information technology costs associated with the statewide information technology network (\$15,750) and increased Central Services costs (\$60,000).		\$75,750	\$75,750
8. Increases funding for salaries and wages (\$762,900), dues and professional development (\$200,987), and information technology equipment (\$456,657) to maintain operations at their current level.		\$1,420,544	\$1,420,544

**Major Hoeven Recommendations Affecting Workers Compensation Bureau 2001-03 Budget
Compared to the Bill as Introduced (Schafer Budget)**

	General Fund	Other Funds	Total
1. The Hoeven budget recommendation does not change the Schafer executive budget recommendation for this agency.			

Major Legislation Affecting the Workers Compensation Bureau

House Bill No. 1153 creates a new preferred worker program under which an approved preferred worker employer would not be assessed premiums on a preferred worker's salary for three years from the date of hiring, and any claims costs incurred as the result of an injury sustained by a preferred worker would be charged against the general fund.

House Bill No. 1163 provides a special fund appropriation of \$761,600, including funding for one new FTE for expanding the safety grant program authorized by North Dakota Century Code Section 65-03-04.

House Bill No. 1187 provides a special fund appropriation of \$2,572,647, including funding for 25 new FTEs for bringing contracted services in house.

Senate Bill No. 2134 removes the expiration date for the Workers Compensation Bureau scholarship fund that allows the Workers Compensation Bureau to provide a scholarship for the spouse and dependent children of a worker who dies as the result of a compensable work-related injury.

Senate Bill No. 2157 creates a single penalty section by combining penalty provisions in existing sections, creates a new section regarding decisions of the bureau, and identifies when an employer who defaults on a premium will be declared uninsured.