

STATEMENT OF PURPOSE OF AMENDMENT:**House Bill No. 1024 - Funding Summary**

	Executive Budget	Final Legislative Action	Comparison To Executive Budget
Workers Compensation Bureau			
Salaries and wages	\$17,854,134		(\$17,854,134)
Operating expenses	7,373,732		(7,373,732)
Equipment	1,354,057		(1,354,057)
Safety partnership grants	630,000		(630,000)
Workers compensation bureau		31,641,340	31,641,340
Total all funds	<u>\$27,211,923</u>	<u>\$31,641,340</u>	<u>\$4,429,417</u>
Less estimated income	<u>27,211,923</u>	<u>31,641,340</u>	<u>4,429,417</u>
General fund	\$0	\$0	\$0
FTE	191.00	218.00	27.00
Bill Total			
Total all funds	\$27,211,923	\$31,641,340	\$4,429,417
Less estimated income	27,211,923	31,641,340	4,429,417
General fund	\$0	\$0	\$0
FTE	191.00	218.00	27.00

House Bill No. 1024 - Workers Compensation Bureau - House Action

	Executive Budget	House Changes	House Version
Salaries and wages	\$17,854,134	\$2,494,117	\$20,348,251
Operating expenses	7,373,732	741,000	8,114,732
Equipment	1,354,057	64,300	1,418,357
Safety partnership grants	630,000	630,000	1,260,000
Total all funds	<u>\$27,211,923</u>	<u>\$3,929,417</u>	<u>\$31,141,340</u>
Less estimated income	<u>27,211,923</u>	<u>3,929,417</u>	<u>31,141,340</u>
General fund	\$0	\$0	\$0
FTE	191.00	27.00	218.00

Department No. 485 - Workers Compensation Bureau - Detail of House Changes

	Increase Funding for Expansion of the Safety Grant Program	Increase Funding for Bringing Contracted Programs and Services In-House¹	Increase Operating for Rent Expense for the 2nd Year of the Biennium	Provides Funding For a New Special Investigations FTE	Total House Changes
Salaries and wages	\$108,000	\$2,276,447		\$109,670	\$2,494,117
Operating expenses	23,600	236,400	466,000	15,000	741,000
Equipment		59,800		4,500	64,300
Safety partnership grants	630,000				630,000
Total all funds	<u>\$761,600</u>	<u>\$2,572,647</u>	<u>\$466,000</u>	<u>\$129,170</u>	<u>\$3,929,417</u>
Less estimated income	<u>761,600</u>	<u>2,572,647</u>	<u>466,000</u>	<u>129,170</u>	<u>3,929,417</u>
General fund	\$0	\$0	\$0	\$0	\$0
FTE	1.00	25.00	0.00	1.00	27.00

¹ This amendment increases funding and FTE to allow for utilization review, medical bill audit and entry, and case managers and rehabilitation services to be provided in-house by the Workers Compensation Bureau.

	FTE	Salaries and Wages	Operating	Equipment	Total
Utilization review	4.00	\$368,619			\$368,619
Medical bill audit and entry	8.00	668,171			668,171
Case managers and rehabilitation	13.00	1,239,657	236,400	59,800	1,535,857
Total	25.00	\$2,276,447	\$236,400	\$59,800	\$2,572,647

This amendment also adds a section amending 1999 House Bill No. 1266 requiring Workers Compensation Bureau to select a site for construction of a building to house its operations before March 1, 2001, or lose authority for construction.

House Bill No. 1024 - Workers Compensation Bureau - Senate Action

	Executive Budget	House Version	Senate Changes	Senate Version
Salaries and wages	\$17,854,134	\$20,348,251	(\$20,348,251)	
Operating expenses	7,373,732	8,114,732	(8,114,732)	
Equipment	1,354,057	1,418,357	(1,418,357)	
Safety partnership grants	630,000	1,260,000	(1,260,000)	
Workers compensation bureau			45,641,340	45,641,340
Total all funds	\$27,211,923	\$31,141,340	\$14,500,000	\$45,641,340
Less estimated income	27,211,923	31,141,340	14,500,000	45,641,340
General fund	\$0	\$0	\$0	\$0
FTE	191.00	218.00	0.00	218.00

Department No. 485 - Workers Compensation Bureau - Detail of Senate Changes

	Consolidate Funding Into One Line Item	Provide Funding for Additional Full-time Equivalent Positions ¹	Provide Funding for Construction Bonding Proceeds ²	Total Senate Changes
Salaries and wages	(\$20,348,251)			(\$20,348,251)
Operating expenses	(8,114,732)			(8,114,732)
Equipment	(1,418,357)			(1,418,357)
Safety partnership grants	(1,260,000)			(1,260,000)
Workers compensation bureau	31,141,340	500,000	14,000,000	45,641,340
Total all funds	\$0	\$500,000	\$14,000,000	\$14,500,000
Less estimated income	0	500,000	14,000,000	14,500,000
General fund	\$0	\$0	\$0	\$0
FTE	0.00	0.00	0.00	0.00

¹ This amendment adds a section that authorizes the Workers Compensation board of directors to allow the Workers Compensation Bureau to hire upon a determination that positions are needed to facilitate the economic and efficient administration of the bureau up to 10 full-time equivalent positions in addition to the full-time equivalent positions authorized by the 2001 Legislative Assembly and

provides a special funds appropriation of \$500,000 for salaries, wages and benefits for any additional full-time equivalent positions hired under this section.

² This amendment adds a section that allows the Industrial Commission at the request of the Workers Compensation board of directors to issue and sell bonds for the purpose of financing the purchase of land and the construction of a new facility to house bureau operations and provides an appropriation to the Workers Compensation Bureau use of the bond proceeds.

This amendment also:

- Removes the section added by the House that amends 1999 House Bill No. 1266 by requiring Workers Compensation Bureau to select a site for construction of a building to house its operations before March 1, 2001, or lose authority for construction.
- Adds a section of legislative intent that if a new facility is built to house the operations of the Workers Compensation Bureau the facility be built to include rental space for other state agencies.
- Creates a new section of North Dakota Century Code (NDCC) that establishes a building maintenance account in the workers compensation fund to be used for deposit all rental proceeds and for payment of all building operation, maintenance, and financing costs.
- Amends NDCC Section 65-02-03.2 to change the compensation of Workers Compensation board of directors to the same amount as members of the Legislative Council.

House Bill No. 1024 - Workers Compensation Bureau - Conference Committee Action

	Executive Budget	House Version	Conf. Com. Changes	Conf. Com. Version	Senate Version	Comparison to Senate
Salaries and wages	\$17,854,134	\$20,348,251	(\$20,348,251)			
Operating expenses	7,373,732	8,114,732	(8,114,732)			
Equipment	1,354,057	1,418,357	(1,418,357)			
Safety partnership grants	630,000	1,260,000	(1,260,000)			
Workers compensation bureau			31,641,340	31,641,340	45,641,340	(14,000,000)
Total all funds	<u>\$27,211,923</u>	<u>\$31,141,340</u>	<u>\$500,000</u>	<u>\$31,641,340</u>	<u>\$45,641,340</u>	<u>(\$14,000,000)</u>
Less estimated income	<u>27,211,923</u>	<u>31,141,340</u>	<u>500,000</u>	<u>31,641,340</u>	<u>45,641,340</u>	<u>(14,000,000)</u>
General fund	\$0	\$0	\$0	\$0	\$0	\$0
FTE	191.00	218.00	0.00	218.00	218.00	0.00

Department No. 485 - Workers Compensation Bureau - Detail of Conference Committee Changes

	Consolidate Funding Into One Line Item	Provide Funding for Additional Full- Time Equivalent Positions ¹	Total Conference Committee Changes
Salaries and wages	(\$20,348,251)		(\$20,348,251)
Operating expenses	(8,114,732)		(8,114,732)
Equipment	(1,418,357)		(1,418,357)
Safety partnership grants	(1,260,000)		(1,260,000)
Workers compensation bureau	<u>31,141,340</u>	<u>500,000</u>	<u>31,641,340</u>
Total all funds	\$0	\$500,000	\$500,000
Less estimated income	<u>0</u>	<u>500,000</u>	<u>500,000</u>
General fund	\$0	\$0	\$0
FTE	0.00	0.00	0.00

¹ This amendment adds a section that authorized the Workers Compensation Board of Directors to allow the Workers Compensation Bureau to hire upon a determination that positions are needed to facilitate the economic and efficient administration of the bureau up to 10 FTE positions in addition to the FTE positions authorized by the 2001 Legislative Assembly and provides a special funds appropriation of \$500,000 for salaries, wages, and benefits for any additional FTE positions hired under this section. (This section was added by the Senate.)

This amendment also:

- Removes the section added by the House that amends 1999 House Bill No. 1266 by requiring Workers Compensation Bureau to select a site for construction of a building to house its operations before March 1, 2001, or lose authority for construction.
- Adds a section that allows the Industrial Commission at the request of the Workers Compensation Bureau to issue and sell bonds for the purchase of land and the construction of a new facility to house bureau operations.
- Adds a section of legislative intent that if a new facility is built to house the operations of the Workers Compensation Bureau, the facility be built to include rental space for other state agencies.
- Creates a new section to the North Dakota Century Code (NDCC) that establishes a building maintenance account in the workers' compensation fund to be used for deposit of all rental proceeds and for payment of all building operation, maintenance, and financing costs.
- Amends NDCC Section 65-02-03.2 to allow the Workers Compensation board of directors to set compensation for board members.
- Amends NDCC Section 65-05.1-06.2 to allow the Workers Compensation Bureau to contract for vocational rehabilitation services.