

**SECOND ENGROSSMENT
with Conference Committee Amendments****REENGROSSED HOUSE BILL NO. 1024**

Introduced by

Appropriations Committee

(At the request of the Governor)

1 A BILL for an Act to provide an appropriation for defraying the expenses of the workers
2 compensation bureau; to authorize and provide an appropriation for additional full-time
3 equivalent positions for the workers compensation bureau; to create and enact a new section to
4 chapter 65-02 of the North Dakota Century Code, relating to the creation of a building
5 maintenance account; and to amend and reenact sections 65-02-03.2 and 65-05.1-06.2 of the
6 North Dakota Century Code, relating to workers compensation board members and workers'
7 compensation vocational rehabilitation services.

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

9 **SECTION 1. APPROPRIATION.** The funds provided in this section, or so much of the
10 funds as may be necessary, are appropriated from special funds derived from the workers
11 compensation fund in the state treasury, not otherwise appropriated, to the workers
12 compensation bureau for the purpose of defraying the expenses of the workers compensation
13 bureau for the biennium beginning July 1, 2001, and ending June 30, 2003, as follows:

14 Total special funds appropriation \$31,141,340

15 **SECTION 2. NORTH DAKOTA WORKERS COMPENSATION BUREAU FULL-TIME**
16 **EQUIVALENT EMPLOYEE POSITIONS AUTHORIZATION - APPROPRIATION - REPORT**
17 **TO BUDGET SECTION.** The North Dakota workers compensation board of directors may

18 authorize the workers compensation bureau to hire, upon a determination that employees are
19 needed to facilitate the economic and efficient administration of the bureau, up to ten full-time
20 equivalent employee positions in addition to the full-time equivalent employee positions
21 authorized in section 1 of this Act for the biennium beginning July 1, 2001, and ending June 30,
22 2003. There is appropriated out of any moneys in the workers' compensation fund, not
23 otherwise appropriated, the sum of \$500,000, or so much of the sum as may be necessary, to
24 the workers compensation bureau for the purpose of providing wages, salaries, and benefits for

1 any additional full-time equivalent positions authorized under this section. The workers
2 compensation board of directors shall report to the budget section of the legislative council on
3 any additional full-time equivalent employee positions and related funding authorized.

4 **SECTION 3. PROJECT AUTHORIZATION.** The industrial commission, acting as the
5 North Dakota building authority, may, at the request of the workers compensation board of
6 directors, arrange for funding of an office building project authorized by this section, declared to
7 be in the public interest, through the issuance of evidences of indebtedness under chapter
8 54-17.2, during the biennium beginning July 1, 2001, and ending June 30, 2003. The proceeds
9 of the evidences of indebtedness and other available funds are appropriated during the period
10 beginning July 1, 2001, and ending July 31, 2003, for a workers compensation bureau office
11 building.

12 The industrial commission may issue evidences of indebtedness in the principal amount
13 requested plus costs of issuance, capitalized interest, and any reasonable required reserves
14 under this section with the condition that lease rental payments need not begin until July 1,
15 2003. This authority of the industrial commission to issue evidences of indebtedness ends
16 June 30, 2003, but the industrial commission may continue to exercise all other powers granted
17 to it under chapter 54-17.2 and this Act and to comply with any covenants entered into before
18 that date.

19 **SECTION 4. BOND ISSUANCE REPAYMENT RESPONSIBILITY.** Funding must be
20 made available by the workers compensation bureau from non-general fund sources to be
21 appropriated to the industrial commission to retire the evidences of indebtedness issued for the
22 project costs associated with the construction of the project authorized by this Act.

23 **SECTION 5. LEGISLATIVE INTENT - WORKERS COMPENSATION BUREAU**
24 **BUILDING - OTHER STATE AGENCIES LEASING.** It is the intent of the legislative assembly
25 that if a new facility is built to house the operations of the workers compensation bureau that
26 the facility be built to include rental space for other state agencies and that the workers
27 compensation bureau work with the office of management and budget to identify which
28 agencies will lease space in the workers compensation bureau building and report to the
29 budget section of the legislative council on plans for leasing to other agencies. The bureau
30 shall set and collect rental amounts and maintain and control the building and its grounds.

1 **SECTION 6.** A new section to chapter 65-02 of the North Dakota Century Code is
2 created and enacted as follows:

3 **Building maintenance account - Continuing appropriation.** There is a building
4 maintenance account within the workers' compensation fund, to which the workers
5 compensation bureau shall deposit all building rental proceeds if the workers compensation
6 bureau builds a building that includes rental space for other state entities. The moneys in the
7 account are appropriated on a continuing basis to the workers compensation bureau to pay
8 bond principal and interest payments, operating, maintenance, repair, and payments in lieu of
9 taxes expenses of the building and grounds. This account may be used only for the purposes
10 identified in this section. The workers compensation bureau may either hire or contract for
11 building maintenance and repair services anticipated by this section. The bureau shall report to
12 the budget section of the legislative council on a biennial basis on all revenues deposited into
13 this account and expenditures made from the account.

14 **SECTION 7. AMENDMENT.** Section 65-02-03.2 of the 1999 Supplement to the North
15 Dakota Century Code is amended and reenacted as follows:

16 **65-02-03.2. Compensation of board members.** A board member is entitled to
17 receive compensation ~~in the amount of sixty two dollars and fifty cents per day~~ as determined
18 by the board for days spent in attendance at board meetings or other business as approved by
19 the board. A board member is entitled to reimbursement for mileage and expenses as provided
20 for state officers.

21 **SECTION 8. AMENDMENT.** Section 65-05.1-06.2 of the North Dakota Century Code
22 is amended and reenacted as follows:

23 **65-05.1-06.2. ~~Bids~~ Contract for vocational rehabilitation services.** The bureau
24 ~~shall solicit bids from~~ may contract with vocational rehabilitation vendors to provide vocational
25 rehabilitation services ~~relative to vocational rehabilitation of claimants. The bureau shall~~
26 ~~contract with the lowest and best bidders to provide these services on a biennial basis. The~~
27 bureau shall determine the criteria that render a vocational rehabilitation vendor qualified. ~~The~~
28 ~~request for bids must contain a detailed outline of services each vendor will be expected to~~
29 ~~provide. The accepted bid is binding upon both the bureau and the rehabilitation vendor. If~~
30 additional services are determined to be necessary as a result of failed or inappropriate
31 rehabilitation of an injured employee through no fault of the employee, the bureau may contract

- 1 with the vendor for additional services. If the failure or inappropriateness of the rehabilitation of
- 2 the injured employee is due to the vendor's failure to provide the necessary services to fulfill the
- 3 contract, the bureau is not obligated to use that vendor for additional services on that claim and
- 4 the bureau may refuse payment for a service that the vendor failed to perform which was a
- 5 material requirement of the contract.