

Chairman Berg and Fellow Committee Members:

It is my understanding this committee has been assigned the duty and responsibility of digging out the problems that have been dogging the WSI. To do this, I believe we need to address the history of the Workers Compensation Bureau and WSI.

It is my understanding that back in 1919, Workers Compensation was established to have a fund to draw from for compensation covering employees injured in the work place of their employer. This fund was to also include payment for lost work as well as payments for their economic recovery, until they could resume their employment.

This was referred to as sure and certain compensation covering injuries in the workplace.

It is my understanding that this agreement was made, with the understanding that employee's gave up their right to take legal action against their employers in North Dakota.

I am sure there have been peaks and valleys as to how this has worked throughout the years. I, however, have not in memory heard as many complaints as we have heard in the last couple of years.

I guess this workers compensation – WSI discussion has been on the front burner here since the first session, which I served in 1991.

In the 1990's, the fund went in the red and the legislature had to scramble, making some tough decision to get the fund back in the black.

I recall that the unions and injured workers at that time were asked to give up some hard fought for Century Code concessions on behalf of injured workers to help get the fund back into the black. I recall that they quite reluctantly but graciously give up and agreed. Our IBL committee made the statement that once the fund was back in the black again with some reserves, that maybe we could start to give back some of the things we had taken away.

It is my contention, that is where this trouble started, the Unions and injured worker groups have been trying for several sessions, attempts to get some of the concessions back, with little or no success. In fact, I believe they have been stonewalled at every attempt.

When WSI was formed and then removed from the Governors oversight, and then placed in the hands of a nine-member board, with seven of who are picked from a list of premium paying industrial people. This seems inherently unfair to the injured worker or to members of the work force.

That in itself sends worker groups the wrong message. I believe what is really exasperating to the situation is when the ND State Chamber of Commerce lobbying

people ask for the hand picked individuals to meet with them prior to IBL Committee meetings to help steer a lobbying campaign.

Now I feel that if I were naïve enough to do something like that, I would be facing charges concerning my ethical behavior.

The unfortunate results of all this misguided manipulation are that there is a lot of good intentioned individuals in the legislative council and the WSI are getting a bad rap.

The WSI in my opinion needs to ask for the resignation of the present board members, and then offer them the opportunity to apply to serve a position on the same basis as a new applicant. The board should be made up with an equal number of members from industry as well as from worker groups. Furthermore the chairman should be chosen by election of the board members.

Most certainly the WSI should be placed back under the control of the Executive branch of the government. We definitely need to have oversight over the group, especially when we have taken away the right of the individual to seek redress by taking legal action.

A couple of weeks ago, the lobbyist from the State Chamber organization was on our local television making a pitch for WSI----to say the least I was quite taken aback by his statements. He stated," What a wonderful job WSI is doing!"

QUESTION:

- (A) Are they doing everything possible to make the injured worker whole?
- (B) Are they doing everything possible to take care of the employers injured worker?
- (C) Who employs Dave McIver? The State Chamber of Commerce or WSI?

We really need some transprence on this matter and the legality's surrounding this matter.

Thank you for your indulgence.

A handwritten signature in blue ink that reads "Rep. Wally T. Hays". The signature is written in a cursive, flowing style.