

HOUSE BILL NO. 1035

Introduced by

Legislative Council

(Industry, Business, and Labor Committee)

1 A BILL for an Act to amend and reenact section 65-04-02 of the North Dakota Century Code,
2 relating to workforce safety and insurance reserves.

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

4 **SECTION 1. AMENDMENT.** Section 65-04-02 of the North Dakota Century Code is
5 amended and reenacted as follows:

6 **65-04-02. Reserves - Surplus.**

- 7 1. The organization shall maintain adequate financial reserves to ensure the solvency
8 of the fund and the payment of future benefit obligations, based upon actuarially
9 sound principles. The discount rate used in evaluating the financial reserves may
10 not exceed six percent. The level of financial reserves plus available surplus must
11 be at least one hundred twenty percent but may not exceed one hundred ~~forty~~ fifty
12 percent of the actuarially established discounted reserve.
- 13 2. For the purposes of this section, "available surplus" means net assets as stated on
14 the statement of net assets of the organization, but does not include funds
15 designated or obligated to specific programs or projects pursuant to a directive or
16 specific approval by the legislative assembly.
- 17 3. The independent annual financial audit of the organization must report the
18 organization's financial reserves.