

GREATER NORTH DAKOTA CHAMBER SB 2308 **Senate State and Local Government Committee Chair Kristen Roers** Feb. 6, 2025

Mr. Chairman and members of the Committee, my name is Arik Spencer, and I am the President and CEO of the Greater North Dakota Chamber. GNDC is North Dakota's largest statewide business advocacy organization, with membership represented by small and large businesses, local chambers, and trade and industry associations across the state. We stand in Support of Senate Bill 2308 if amended.

SB 2308 seeks to reduce the number of boards and commissions in North Dakota. One of the boards proposed for removal is the WSI Coordinating Committee. This committee is comprised of North Dakota business associations and outlines how the employer representatives on the WSI board are appointed.

We agree this committee does not need to be an official board/commission, but the proposed bill removes the employer stakeholders from the WSI board nomination process while leaving the nomination process in place for the labor and medical representatives.

Under the existing process, business associations gather biennially to solicit nominations for the various employer WSI board seats and provide the Governor with three names for each position for appointment. This process has worked well and is one reason why the worker's compensation system in North Dakota is nationally respected.

The members of the committee, including the Associated General Contractors of North Dakota, the North Dakota Petroleum Council, the Greater North Dakota Chamber, the North Dakota Motor Carriers Association, the North Dakota Hospital Association, the National Federation of Independent Business, and the Lignite Energy Council are supportive of SB 2308 if it is amended to leave the nomination process in place. We consulted WSI and the Governor's Office about our request, and neither opposed an amendment.

As such, I have attached our recommended amendment to this testimony for your consideration.

Thank you, and I am happy to answer any questions you may have.

SECTION 36. AMENDMENT. Subdivision a of subsection 2 of section 65-02-03.1 of the North Dakota Century Code is amended and reenacted as follows:

a. A departing member representing an employer must be replaced by a member representing an employer, most of whose employees are in a different rate classification than those of the employer represented by the departing member. The governor shall appoint the member for an employer representative from a list of three potential candidates submitted by a coordinating committee appointed by the governor, composed of representatives from the organization. The organization shall accept qualified candidate recommendations received from representatives from the associated general contractors of North Dakota, the North Dakota petroleum council, the greater North Dakota chamber of commerce, the North Dakota motor carriers association, the North Dakota hospital association, the national federation of independent business, the lignite energy council, and other statewide business interests.

WSI Board of Directors

WSI's Board of Directors is appointed by the Governor of North Dakota with members serving 4-year terms and may not serve more than two consecutive terms. Eight of the members are appointed by the Governor based on 3 potential candidates submitted by the respective stakeholder groups. Three of the members are appointed solely by the Governor.

Some of the key statutory responsibilities include providing recommendations to the Governor regarding:

- 1. Premium Rates,
- 2. Dividends,
- 3. Legislation affecting the organization, and
- 4. The WSI Fund's Investment Allocation

The 11-member WSI Board of Directors consists of:

Employer Representatives (6 members representing employers with active accounts with WSI)—appointed by Governor based on 3 potential candidates submitted by the business groups

- Dean Anagnost, Chief Governing Officer (CGO), Employer Representative (under \$25,000)
 January 2022 December 2025
- William Jerome, Employer Representative (over \$25,000)
 January 2024 December 2027
- Kent Kirkhammer, Employer Representative (over \$25,000)
 January 2022 December 2025
- Brad Maier, Employer Representative (under \$10,000)
 January 2022 December 2025
- Amber Schoenborn, Employer Representative (employer-at-large)
 January 2024 December 2027
- Charles Steffan, Employer Representative (employer-at-large)
 January 2022 December 2025

Employee Representatives (3 members; one must represent organized labor and one must have received WSI wage-loss benefits)

- Jason Ehlert, Employee Representative (organized labor)--appointed by Governor based on 3 potential candidates submitted by a labor organization that is statewide in scope January 2023 – December 2025
- Ricky Richard, Employee Representative (WSI benefit recipient)—appointed by Governor, must have received WSI wage-loss benefits
 December 2022 – December 2025
- Joshua Jeffers, At Large Employee Representative—appointed by Governor January 2024 – December 2027

ND Medical Association Representative (1 member)

 Dr. Laura Matzke Bitterman, ND Medical Association--appointed by Governor based on 3 potential candidates submitted by the ND Medical Association
 January 2024 – December 2027

Member-at-Large Representative (1 member; ND resident and over the age of 21)

 Chris Whalen, Vice-CGO, Member-at-large—appointed by Governor January 2024 – December 2027