

**Workers Compensation Bureau  
House Bill No. 1024**

	<b>FTE Positions</b>	<b>General Fund</b>	<b>Other Funds</b>	<b>Total</b>
2001-03 executive budget (Governor Schafer) (bill as introduced)	191.00		\$27,211,923	\$27,211,923
<b>2001-03 legislative appropriations</b>	<b>218.00</b>		<b>31,641,340</b>	<b>31,641,340</b>
Legislative increase (decrease) to executive budget	27.00	\$0	\$4,429,417	\$4,429,417
Legislative increase (decrease) to 1999-2001 appropriations	27.00	\$0	\$5,520,956	\$5,520,956
2001-03 Governor Hoeven's recommendation	191.00		\$27,211,923	\$27,211,923
Legislative increase (decrease) to Governor Hoeven's recommendation	27.00	\$0	\$4,429,417	\$4,429,417

**GOVERNOR HOEVEN'S RECOMMENDATIONS**

The Hoeven recommendation did not change the Schafer recommendation.

**SUMMARY OF LEGISLATIVE CHANGES TO THE EXECUTIVE BUDGET (SCHAFER) AND MAJOR FUNDING ITEMS**

**Salaries and Wages**

The legislative action affecting the recommended appropriation for the Workers Compensation Bureau is in accordance with legislative salary and fringe benefits guidelines as contained in House Bill No. 1015.

	<b>Major Items FTE Positions</b>	<b>General Fund</b>	<b>Other Funds</b>	<b>Total</b>
The legislative action:				
Added funding for a new special investigations FTE	1.00		\$129,170	\$129,170
Added funding for expansion of the safety grant program	1.00		761,600	761,600
Added funding to bring contracted programs and services in-house. Previously, these costs were accounted for through a continuing appropriation for claims-related expenses.	25.00		2,572,647	2,572,647
Added funding for rent expenses for the second year of the biennium			466,000	466,000
Added funding for additional full-time equivalent positions (see <b>Other Sections in Bill</b> section)			500,000	500,000
Total	<u>27.00</u>	<u>\$0</u>	<u>\$4,429,417</u>	<u>\$4,429,417</u>

### **FTE Changes**

The 2001-03 biennium appropriation includes funding for 218 FTE positions, an increase of 27 FTE positions from the 1999-2001 biennium authorized level of 191 FTE positions. The Legislative Assembly added one FTE position for special investigations, one FTE position for expansion of the safety grant program, and 25 FTE positions for bringing Workers Compensation Bureau contracted programs and services in-house.

### **Consolidated Line Item**

The Legislative Assembly consolidated the funding for the Workers Compensation Bureau from four line items into one line item.

### **New Workers Compensation Bureau Building**

**Office building project authorization** - Section 3 allows the North Dakota Building Authority, at the request of the Workers Compensation Board of Directors, to arrange for funding of an office building project through the issuance of bonds, and Section 4 provides for non-general fund sources to be available to retire any bonds issued.

**State agencies office space leasing** - Section 5 provides that if a new Workers Compensation Bureau facility is constructed, the facility must include rental space for other state agencies. The section also provides that the Workers Compensation Bureau and the Office of Management and Budget identify which agencies will lease the additional space. The Workers Compensation Bureau is responsible for setting and collecting the rental amounts and maintaining control of the building.

**Office building maintenance account** - Section 6 establishes a building maintenance account within the workers' compensation fund for deposit of all office building rental proceeds. All moneys in the account are appropriated on a continuing basis to pay for bond principal and interest payments, operating, maintenance, repair, payments in lieu of taxes as required by North Dakota Century Code (NDCC) Section 65-02-31, and other expenses of the building and grounds. The Workers Compensation Bureau is to report to the Budget Section on a biennial basis on all revenues deposited into the account and expenditures made from the account.

### **Other Sections in Bill**

**Employee positions authorization** - Section 2 allows the Workers Compensation Board of Directors to authorize the Workers Compensation Bureau to hire, upon a determination that employees 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. The section provides an appropriation of \$500,000 for the purpose of providing wages, salaries, and benefits for any additional FTE positions authorized.

**Compensation of board members** - Section 7 amends NDCC Section 65-02-03.2 to allow the Workers Compensation Board of Directors to receive compensation as determined by the board for time spent relating to business of the board.

### **Related Legislation**

**Preferred worker program** - House Bill No. 1153 creates a new preferred worker program under which an approved preferred worker employer would not be assessed premiums on a preferred worker's salary for three years from the date of hiring, and any claims costs incurred as the result of an injury sustained by a preferred worker would be charged against the workers' compensation general fund.