

**2025 HOUSE APPROPRIATIONS**

**HB 1021**

## DEPARTMENT 485 - WORKFORCE SAFETY AND INSURANCE 2025-27 BASE-LEVEL BUDGET

### Base Budget - Summary

	<u>Base Level</u>
Workforce safety and insurance operations	\$65,954,976
Total special funds	\$65,954,976
Full-time equivalent (FTE) positions	260.14

### Selected Base Budget Information

	General Fund	Other Funds	Total
Includes funding for Workforce Safety and Insurance (WSI), primarily related to salaries and wages for 260.14 FTE positions (\$52,442,850); temporary salaries (\$584,198); and information technology (IT) data processing, services, and software (\$6,644,981)	\$0	\$65,954,976	\$65,954,976

### Continuing Appropriations

**WSI fund** - In addition to paying administrative expenses of the agency as appropriated by the Legislative Assembly and in addition to paying claims expenses pursuant to a continuing appropriation, money in the fund is used for the following other purposes pursuant to continuing appropriations:

**Collection agency fees** - North Dakota Century Code Section 54-06-29 - Payment of fees to The Affiliated Group to assist in collection of past-due accounts. For the 2021-23 biennium, there were no expenditures for collection agency fees.

**Alternative dispute resolution** - Section 65-01-18 - Up to \$50,000 in the WSI fund is appropriated each biennium on a continuing basis for an alternative dispute resolution pilot program to assess alternative options to resolve disputes with injured employees. For the 2021-23 biennium, there were no expenditures for alternative dispute resolution.

**Building maintenance account** - Section 65-02-05.1 - Money in the WSI building maintenance account within the WSI fund is appropriated on a continuing basis for bond principal and interest payments, operating, maintenance, repair, and payment in lieu of taxes expenses of the buildings and grounds. For the 2021-23 biennium, the account had \$1,921,707 of expenditures.

**Allocated loss adjustment expenses** - Section 65-02-06.1 - Money in the WSI fund is appropriated on a continuing basis for the payment of all allocated loss adjustment expenses experienced by the agency. For the 2021-23 biennium, there were \$8,197,613 of expenditures for allocated loss adjustment expenses.

**Litigation expense** - Section 65-02-06.2 - Money in the WSI fund is appropriated on a continuing basis for expenses associated with litigating employer-related issues and for payment of organization expenses associated with litigating medical provider-related issues. For the 2021-23 biennium, there were \$420,392 of expenditures for litigation expenses.

**Reinsurance and other states' coverage** - Section 65-02-13.1 - Money in the WSI fund is appropriated on a continuing basis to allow the agency to establish a program of reinsurance and a program of extraterritorial coverage and other states' insurance. For the 2021-23 biennium, there were \$2,583,250 of expenditures for reinsurance and other states' coverage.

**Insurance fraud unit** - Section 65-02-23 - Money in the WSI fund is appropriated on a continuing basis for the payment of costs associated with identifying, preventing, and investigating employer or provider fraud. For the 2021-23 biennium, there were \$2,196 of expenditures for the insurance fraud unit.

**Independent performance evaluation** - Section 65-02-30 - Money in the WSI fund is appropriated on a continuing basis for costs to complete a performance evaluation of the functions and operations of the organization every 4 years. For the 2021-23 biennium, there were \$105,750 of expenditures for independent performance evaluation.

**Credit card fees** - Section 65-02-38 - Money in the WSI fund is appropriated on a continuing basis for the purpose of paying fees associated with credit or debit card payments made to the organization. For the 2021-23 biennium, there were \$777,366 of expenditures for credit card fees.

**Safety programs** - Section 65-03-04 - Money in the WSI fund is appropriated on a continuing basis for the purpose of funding work safety and loss prevention programs. For the 2021-23 biennium, there were \$10,045,029 of expenditures for safety programs.

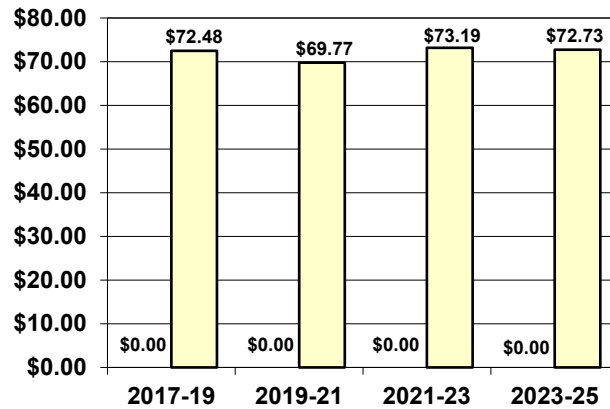
**Preferred worker program** - Section 65-05-36 - Money in the WSI fund is appropriated on a continuing basis for the payment of the expense of conducting a biennial independent performance evaluation. For the 2021-23 biennium, there were \$146,280 of expenditures for the program.

**Vocational rehabilitation grant program** - Section 65-05.1-08 - Money in the WSI fund is appropriated on a continuing basis for the purpose of funding a grant program to provide educational opportunities for injured employees within the vocational rehabilitation process, and to pay any existing educational revolving loan fund obligations. Pursuant to Senate Bill No. 2116 (2023), money from the WSI fund is no longer used to create new educational loans. For the 2021-23 biennium, there were \$199,874 of expenditures for the program.

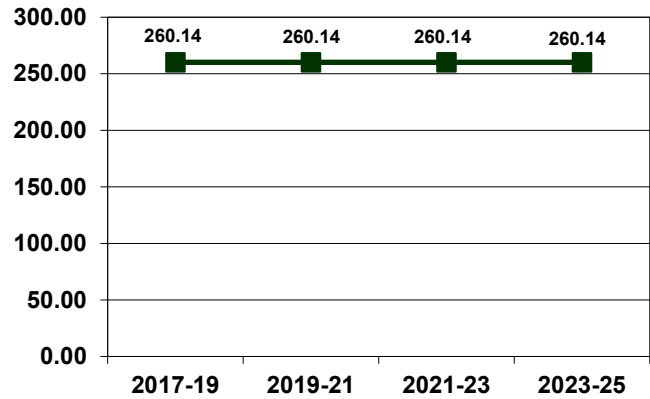
# Historical Appropriations Information

## Agency Appropriations and FTE Positions

Agency Funding (Millions)



FTE Positions



■ General Fund □ Other Funds

### Ongoing Other Fund Appropriations

	2015-17	2017-19	2019-21	2021-23	2023-25
Ongoing other funds appropriations	\$61,865,170	\$63,473,062	\$60,887,842	\$62,122,928	\$65,954,976
Increase (decrease) from previous biennium	N/A	\$1,607,892	(\$2,585,220)	\$1,235,086	\$3,832,048
Percentage increase (decrease) from previous biennium	N/A	2.6%	(4.1%)	2.0%	6.2%
Cumulative percentage increase (decrease) from 2015-17 biennium	N/A	2.6%	(1.6%)	0.4%	6.6%

### Major Increases (Decreases) in Ongoing Other Funds Appropriations

#### 2017-19 Biennium

1. Reduced funding for temporary salaries (\$357,942)
2. Increased funding for operating expenses, including increases in professional service fees and IT data processing \$1,199,920
3. Removed funding for credit card fees (\$1,200,000)

#### 2019-21 Biennium

1. Unfunded 6 FTE positions (\$1,012,252)
2. Reduced funding for operating expenses, primarily related to professional service fees (\$2,332,176)

#### 2021-23 Biennium

1. Reduced funding for operating expenses, primarily related to travel, IT software supplies, rent, IT data processing, IT contractual services and repairs, and professional development (\$1,332,010)

#### 2023-25 Biennium

1. Adds funding from the WSI fund for IT contractual services for software support \$1,637,572

### One-Time Other Funds Appropriations

	2015-17	2017-19	2019-21	2021-23	2023-25
One-time other funds appropriations	\$7,000,000	\$9,008,597	\$8,878,052	\$11,064,000	\$6,780,000

### Major One-Time Other Funds Appropriations

#### 2017-19 Biennium

- |   |             |
|---|-------------|
| 1. Claims and policy system replacement project | \$8,120,097 |
| 2. myWSI enhancement project                    | \$538,500   |
| 3. Internal reporting system                    | \$275,000   |
| 4. Electronic payment processing system         | \$75,000    |

#### 2019-21 Biennium

- |  |             |
|--|-------------|
| 1. Claims and policy system replacement project                                  | \$7,010,000 |
| 2. myWSI enhancement project   | \$850,000   |
| 3. COVID-19 pandemic first responder workers compensation claims (federal funds) | \$1,018,052 |

#### 2021-23 Biennium

- |   |             |
|---|-------------|
| 1. Claims and policy system replacement project | \$7,500,000 |
| 2. myWSI enhancement project                    | \$3,050,000 |
| 3. WSI building upgrades                        | \$514,000   |

#### 2023-25 Biennium

- |   |             |
|---|-------------|
| 1. Claims and policy system replacement project | \$4,950,000 |
| 2. myWSI enhancement project                    | \$1,830,000 |





**Workforce Safety and Insurance  
Department No. 485  
2025 House Bill No. 1021**

**EXECUTIVE BUDGET RECOMMENDATION  
2025-27 BIENNIUM**

**Budget Summary**

	<b>FTE Positions</b>	<b>General Fund</b>	<b>Other Funds</b>	<b>Total</b>
Executive budget recommendation	<b>260.14</b>	<b>\$0</b>	<b>\$82,273,822</b>	<b>\$82,273,822</b>
Base level	260.14	0	65,954,976	65,954,976
Increase (decrease)	0.00	\$0	\$16,318,846	\$16,318,846
Percentage increase (decrease)	0.0%	N/A	24.7%	24.7%

**NOTE:**

More detailed information on the executive budget recommendation is attached as Appendix A.

A copy of the draft appropriations bill reflecting the executive budget recommendation is attached as Appendix B.

**Selected Highlights**

- Adds \$2,590,913 for salary increases of up to 4 percent effective July 1, 2025, and 3 percent effective July 1, 2026
- Adds \$1,578,608 for health insurance increase of \$250 per month (15.2 percent), from \$1,643 to \$1,893, per employee
- Adds \$3,701,233 to replace funding removed in the 2023-25 biennium for the vacant FTE pool
- Adds **one-time funding** of \$5,208,325 for the claims and policy system replacement project
- Adds **one-time funding** of \$1,366,050 for the myWSI enhancement project
- Adds **one-time funding** of \$2,000,000 for building improvements

**Deficiency Appropriations**

There are no deficiency appropriations for this agency.

**Significant Audit Findings**

There are no significant audit findings for this agency.

**Agency Fees**

As reported to the Legislative Management pursuant to North Dakota Century Code Section 54-35-27, this agency has three fees. The agency did not recommend any changes to the fees.

**Major Related Legislation**

**House Bill No. 1060** - This bill allows correctional officers employed by the Department of Corrections and Rehabilitation the presumption of compensability for certain conditions that currently exists for firefighters and law enforcement officers.

**Senate Bill No. 2094** - This bill allows injured workers to continue receiving wage-loss benefits after they become eligible for Social Security retirement benefits and eliminates the 3-year cap on disability benefits for employees injured after they become eligible for Social Security retirement benefits.

**Senate Bill No. 2109** - This bill increases the lifetime maximum death benefit from \$300,000 to \$400,000 and provides for the maximum to increase by \$10,000 each biennium.

**NOTE:**

Please see the Fiscal Impact Report for additional information regarding bills under consideration which contain either a state revenue impact, an appropriation, or a state fiscal impact.



**Workforce Safety and Insurance - Budget No. 485**  
**Agency Worksheet - House Bill No. 1021**

	Executive Budget			
	FTE Positions	General Fund	Other Funds	Total
<b>2025-27 Biennium Base Level</b>	260.14	\$0	\$65,954,976	\$65,954,976
<b>2025-27 Ongoing Funding Changes</b>				
Salary increase			\$2,590,913	\$2,590,913
Health insurance increase			1,578,608	1,578,608
Adds funding to replace the 2023-25 vacant FTE pool			3,701,233	3,701,233
Adds funding for information technology rate increases			315,976	315,976
Adjusts funding for operating expenses			(442,259)	(442,259)
Total ongoing funding changes	<b>0.00</b>	<b>\$0</b>	<b>\$7,744,471</b>	<b>\$7,744,471</b>
<b>One-Time Funding Items</b>				
Adds funding for the claims and policy system replacement project			\$5,208,325	\$5,208,325
Adds funding for the myWSI enhancement project			1,366,050	1,366,050
Adds funding for building improvements			2,000,000	2,000,000
Total one-time funding changes	<b>0.00</b>	<b>\$0</b>	<b>\$8,574,375</b>	<b>\$8,574,375</b>
<b>Total Changes to Base Level Funding</b>	<b>0.00</b>	<b>\$0</b>	<b>\$16,318,846</b>	<b>\$16,318,846</b>
<b>2025-27 Total Funding</b>	<b>260.14</b>	<b>\$0</b>	<b>\$82,273,822</b>	<b>\$82,273,822</b>

Federal funds included in other funds

\$0

Total ongoing changes - Percentage of base level

0.0%

N/A

11.7%

11.7%

Total changes - Percentage of base level

0.0%

N/A

24.7%

24.7%

**Other Sections in Workforce Safety and Insurance - Budget No. 485**

Section Description	Executive Budget
FTE position adjustments	Section 3 would authorize Workforce Safety and Insurance to increase or decrease authorized FTE positions subject to the availability of funds.

Sixty-ninth  
Legislative Assembly  
of North Dakota

**HOUSE BILL NO. 1021**  
**(Governor's Recommendation)**

Introduced by

Appropriations Committee

(At the request of the Governor)

A bill for an act to provide an appropriation for defraying the expenses of workforce safety and insurance.

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

**SECTION 1. APPROPRIATION.** The funds provided in this section, or so much of the funds as may be necessary, are appropriated from special funds derived from the workforce safety and insurance fund in the state treasury, not otherwise appropriated, to workforce safety and insurance, for the biennium beginning July 1, 2025 and ending June 30, 2027, as follows:

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Workforce Safety and Insurance Operations	<u>\$65,954,976</u>	<u>\$16,318,846</u>	<u>\$82,273,822</u>
Total Special Funds	\$65,954,976	\$16,318,846	\$82,273,822
Full-time Equivalent Positions	260.14	0.00	260.14

**SECTION 2. ONE-TIME FUNDING - EFFECT ON BASE BUDGET - REPORT TO SEVENTIETH LEGISLATIVE ASSEMBLY.** The following amounts reflect the one-time funding items approved by the sixty-eighth legislative assembly for the 2023-25 biennium and the 2025-27 one-time funding items included in the appropriation of section 1 of this Act:

<u>One-Time Funding Description</u>	<u>2023-25</u>	<u>2025-27</u>
CAPS Software Replacement Project	\$4,950,000	\$ 5,208,325
Extranet Computer Project	1,830,000	1,366,050
Building Improvements	<u>0</u>	<u>2,000,000</u>
Total Other Funds	\$6,780,000	\$8,574,375

The 2025-27 one-time funding amounts are not a part of the entity's base budget for the 2027-29 biennium. The workforce safety and insurance agency shall report to the appropriations committees of the seventieth legislative assembly on the use of this one-time funding for the biennium beginning July 1, 2025 and ending June 30, 2027.

**SECTION 3. EXEMPTION – FULL-TIME EQUIVALENT POSITION ADJUSTMENTS.** Notwithstanding any other provisions of the law, workforce safety and insurance may increase or decrease authorized full-time equivalent positions as needed, subject to availability of funds, during the biennium beginning July 1, 2025, and ending June 30, 2027. Workforce safety and insurance shall report to the office of management and budget and legislative council any adjustments made pursuant to this section.



**Workforce Safety and Insurance  
Department No. 485  
2025 House Bill No. 1021**

**REVISED EXECUTIVE BUDGET RECOMMENDATION  
2025-27 BIENNIUM**

**Budget Summary**

	<b>FTE Positions</b>	<b>General Fund</b>	<b>Other Funds</b>	<b>Total</b>
Burgum executive budget recommendation	260.14	\$0	\$82,273,822	\$82,273,822
Revisions - Increase (decrease)	0.00	0	(472,966)	(472,966)
<b>Armstrong executive budget recommendation</b>	<b>260.14</b>	<b>\$0</b>	<b>\$81,800,856</b>	<b>\$81,800,856</b>
Base level	260.14	0	65,954,976	65,954,976
Increase (decrease)	0.00	\$0	\$15,845,880	\$15,845,880
Percentage increase (decrease)	0.0%	N/A	24.0%	24.0%

**NOTE:**

More detailed information on the revised executive budget recommendation is attached as an appendix.

**Selected Highlights**

- **Adds \$2,117,947 for salary increases of up to 3 percent effective July 1, 2025, and 3 percent effective July 1, 2026**
- Adds \$1,578,608 for health insurance increase of \$250 per month (15.2 percent), from \$1,643 to \$1,893, per employee
- Adds \$3,701,233 to replace funding removed in the 2023-25 biennium for the vacant FTE pool
- Adds one-time funding of \$5,208,325 for the claims and policy system replacement project
- Adds one-time funding of \$1,366,050 for the myWSI enhancement project
- Adds one-time funding of \$2 million for building improvements

**Deficiency Appropriations**

There are no deficiency appropriations for this agency.

**Significant Audit Findings**

There are no significant audit findings for this agency.

**Agency Fees**

As reported to the Legislative Management, pursuant to North Dakota Century Code Section 54-35-27, this agency has three fees. The agency did not recommend any changes to the fees.

**Major Related Legislation**

**House Bill No. 1060** - This bill allows correctional officers employed by the Department of Corrections and Rehabilitation the presumption of compensability for certain conditions that currently exists for firefighters and law enforcement officers.

**Senate Bill No. 2094** - This bill allows injured workers to continue receiving wage-loss benefits after they become eligible for Social Security retirement benefits and eliminates the 3-year cap on disability benefits for employees injured after they become eligible for Social Security retirement benefits.

**Senate Bill No. 2109** - This bill increases the lifetime maximum death benefit from \$300,000 to \$400,000 and provides for the maximum to increase by \$10,000 each biennium.

**NOTE:**

Please see the Fiscal Impact Report for additional information regarding bills under consideration which contain either a state revenue impact, an appropriation, or a state fiscal impact.



**Workforce Safety and Insurance - Budget No. 485**  
**Agency Worksheet - House Bill No. 1021**

	Armstrong Executive Budget			
	FTE Positions	General Fund	Other Funds	Total
<b>2025-27 Biennium Base Level</b>	260.14	\$0	\$65,954,976	\$65,954,976
<b>2025-27 Ongoing Funding Changes</b>				
Salary increase			\$2,117,947	\$2,117,947
Health insurance increase			1,578,608	1,578,608
Adds funding to replace the 2023-25 vacant FTE pool			3,701,233	3,701,233
Adds funding for information technology rate			315,976	315,976
Adjusts funding for operating expenses			(442,259)	(442,259)
Total ongoing funding changes	<b>0.00</b>	<b>\$0</b>	<b>\$7,271,505</b>	<b>\$7,271,505</b>
<b>One-Time Funding Items</b>				
Adds funding for the claims and policy system replacement project			\$5,208,325	\$5,208,325
Adds funding for the myWSI enhancement project			1,366,050	1,366,050
Adds funding for building improvements			2,000,000	2,000,000
Total one-time funding changes	<b>0.00</b>	<b>\$0</b>	<b>\$8,574,375</b>	<b>\$8,574,375</b>
<b>Total Changes to Base Level Funding</b>	<b>0.00</b>	<b>\$0</b>	<b>\$15,845,880</b>	<b>\$15,845,880</b>
<b>2025-27 Total Funding</b>	<b>260.14</b>	<b>\$0</b>	<b>\$81,800,856</b>	<b>\$81,800,856</b>

Federal funds included in other funds

\$0

Total ongoing changes - Percentage of base level

0.0%

N/A

11.0%

11.0%

Total changes - Percentage of base level

0.0%

N/A

24.0%

24.0%

# 2025 HOUSE STANDING COMMITTEE MINUTES

## Appropriations - Education and Environment Division Prairie Room, State Capitol

HB 1021  
1/13/2025

A Bill for an Act to provide an appropriation for defraying the expenses of workforce safety and insurance.
---

10:21 a.m. Chairman Nathe called the meeting to order.

Members present: Chairman Nathe, Vice Chairman Swiontek, Representatives Louser, Martinson, Richter, Sanford and Hanson

### **Discussion Topics:**

- Decrease in claims
- Funding request

10:22 a.m. Art Thompson, Director of Workforce Safety & Insurance, presented testimony in favor of and submitted testimony #28417.

11:02 a.m. Chairman Nathe closed the meeting.

*Steven Riehl, Committee Clerk*

**2025 House Bill No. 1021  
Testimony before the House Appropriations Committee  
Education & Environment Division**

**Presented by:  
Art Thompson, WSI Director  
Workforce Safety & Insurance  
January 13, 2025**

Mr. Chairman and Members of the Committee:

Good morning. My name is Art Thompson, Director of Workforce Safety & Insurance (WSI). I am here today to provide testimony on House Bill 1021, WSI's Appropriation bill. On behalf of WSI, I would like to thank the Chairman and the Committee for providing the agency the opportunity to testify today.

My testimony today will be brief. We have provided you with PowerPoint slides. I will reference various slides that will assist in providing you an overall picture of WSI.

**Background**

WSI is a special fund agency funded solely by employer premiums, which provide for the payment of medical and wage loss benefits as well as administrative expenses. WSI receives no General Fund dollars **(slide 2)**.

**WSI's Core Purpose** is **"To care for injured workers"**. That is why WSI exists **(slide 3)**.

To accomplish this, WSI has a well-established strategic plan. The strategic plan has guided our focus and has resulted in a high performing organization that is valued by our stakeholders and recognized by industry leaders **(slide 4)**.

WSI provides coverage to over 27,000 North Dakota businesses with an estimated covered workforce of 412,000. WSI receives approximately 17,500 claims per year **(slide 5-10)**.

Throughout history, the North Dakota Legislature has also worked closely with WSI to develop policy to help ensure this purpose is fulfilled.

Collectively, this has resulted in a high performing workers compensation system. Success measures include a variety of performance indicators that we track on a routine basis (**slides 11 - 15**):

- Safety Focus
  - WSI has 13 Safety Consultants located regionally in ND to assist employers with safety assessment and safety program and grant implementation.
  - We have seen a 27% injury rate reduction in the last decade.
  - In fiscal year 2024, WSI issued \$24 million in safety premium discounts to employers for successful participation in Safety Programs.
  - WSI has issued \$76M in safety grants since 2005.
- Financially Strong
  - State law outlines WSI's required surplus levels which are 20% to 40% of reserve liabilities.
  - If WSI's surplus exceeds statutory surplus requirements; the statute requires dividends to be issued to policyholders.
  - WSI issued \$1.8 billion in employer dividends in the past 20 years.
  - For the current year, a 50% dividend credit was declared, which equates to an estimated \$83 million dividend.
  - Historically, favorable returns from WSI's investment portfolio have resulted in additional surplus growth.
- Enhanced Technology
  - The goal of CAPS and myWSI is to improve customer service, enhance system maintainability and create a self-service portal for our external customers and stakeholders.
  - We are committed to improving our technology and response to customer needs through two long-term system upgrades that will be discussed in more detail in our budget recommendation discussion.
- Few Disputes & Low Litigation
  - North Dakota is known to be one of the least litigious workers' compensation systems in the country.
  - Only half of 1% of decisions issued proceed to an administrative court hearing.



- Utilize Decision Review Office to provide initial analysis and review of disputed claims.
- Strong Statutory Benefits
  - North Dakota provides a favorable benefit package for injured employees as compared to other jurisdictions.
  - WSI administers a constitutionally created fund for the benefit of injured employees. Funds are not available for any other purpose.
  - North Dakota's maximum weekly benefit rate is the 3<sup>rd</sup> highest when compared to the 15 Midwest states (see **slides A4 – A9** for additional benefit information).
- Low Premiums
  - Premiums were reduced for the 9th consecutive year with an average 0.6% reduction for the current policy year.
  - North Dakota continuously ranks as the lowest premium state in the nation (2022 Oregon Premium Study) this is approximately 54% lower than the median rate.
- Good Payor
  - Fair payment for medical and hospital services ensures injured employees access to quality healthcare.
  - WSI fee schedules range from 163% to 250% of what Medicare would pay.
- Customer Satisfaction
  - WSI's customer satisfaction consistently ranks high on 1 to 5-point scale: Employer – 4.41; Injured Worker – 4.24; Medical Provider – 3.94
  - WSI's employee Gallup score was 4.4

## WSI 2025-2027 Appropriation Request

### **Budget Recommendation 2025-2027 HB 1021**

<b>Budget Overview</b>	<b>2025-2027 Submitted Budget</b>
WSI Operating Appropriation	\$ 70,929,926
<b><u>One Time Funding Description</u></b>	
Claims and Policy System (CAPS)	5,208,325
myWSI	1,366,050
Building Updates	2,000,000
Total One Time Funding	\$ 8,574,375
WSI Biennial Appropriation	\$ 79,504,301
FTE Authority	260

The WSI Submitted Budget includes **(slides 16 - 19)**:

- \$5.2 million in one-time funding for the continuation of the development of the claims and policy system (CAPS); and
- \$1.4 million in one-time funding for the continuation of the myWSI extranet enhancement project.
- \$2.0 million in one-time funding for building improvements.
- No change in FTE authority. WSI is funded solely by employer premiums and receives no general fund dollars. The legislature has granted WSI the same FTE authority since the 2015-17 biennium. WSI views the FTE authority as a number, as we base overall staffing levels on workloads, which can fluctuate. To illustrate, during the peak of the oil boom, we were at capacity for FTE authority and hired up to 32 temporary employees to make sure WSI customers were served. Unused funds associated with WSI vacant FTEs remain in the WSI fund.

WSI is financially stable, provides excellent service, and is overall functioning very well. In closing, thank you for your time today and your consideration of WSI's biennial appropriation. At this time, I would be glad to answer any questions that you may have.

Additionally, and for your benefit, included within the appendix of the PowerPoint is the following:

A1 – WSI Organization Chart

A2 – 2024 Financial Audit

A3 – Vacant FTE Funding Pool

A4 – A7 State by State Average Weekly Wage & Benefit Comparison

A8 – A9 State by State Premium Comparisons

A10 – A14 Historical Workers' Compensation Benefit & Service Enhancement Legislation

A15 – IT Projects Timeline & Funding



North Dakota Workforce  
Safety & Insurance

---

# House Appropriations Education & Environment Committee

---

Art Thompson | Director  
January 13, 2025

# Who We Are



## About Us

WSI is an exclusive, employer-financed, no-fault insurance state fund covering workplace injuries and deaths (NDCC Title 65). **WSI is a special fund agency and receives no general fund dollars.**

## Our Vision

As the sole provider and administrator of workers' compensation in North Dakota, WSI's vision is a safe, secure, and healthy North Dakota workforce.

# WSI Philosophy >>

## CORE PURPOSE

To care for injured workers

## BUSINESS

Providing Workers' Compensation and Safety Services

## VISION

Is a Safe, Secure and Healthy North Dakota Workforce

## CORE VALUES

Loyal, Caring and Forthright

## STRATEGIC ANCHORS

Exceptional People, Exceptional Service and  
Financial Stability

# WSI's Business

WSI's strategic plan has guided our focus and has resulted in a high performing organization that is valued by our stakeholders and recognized by industry leaders. **Our business is about relationships and partnerships.**

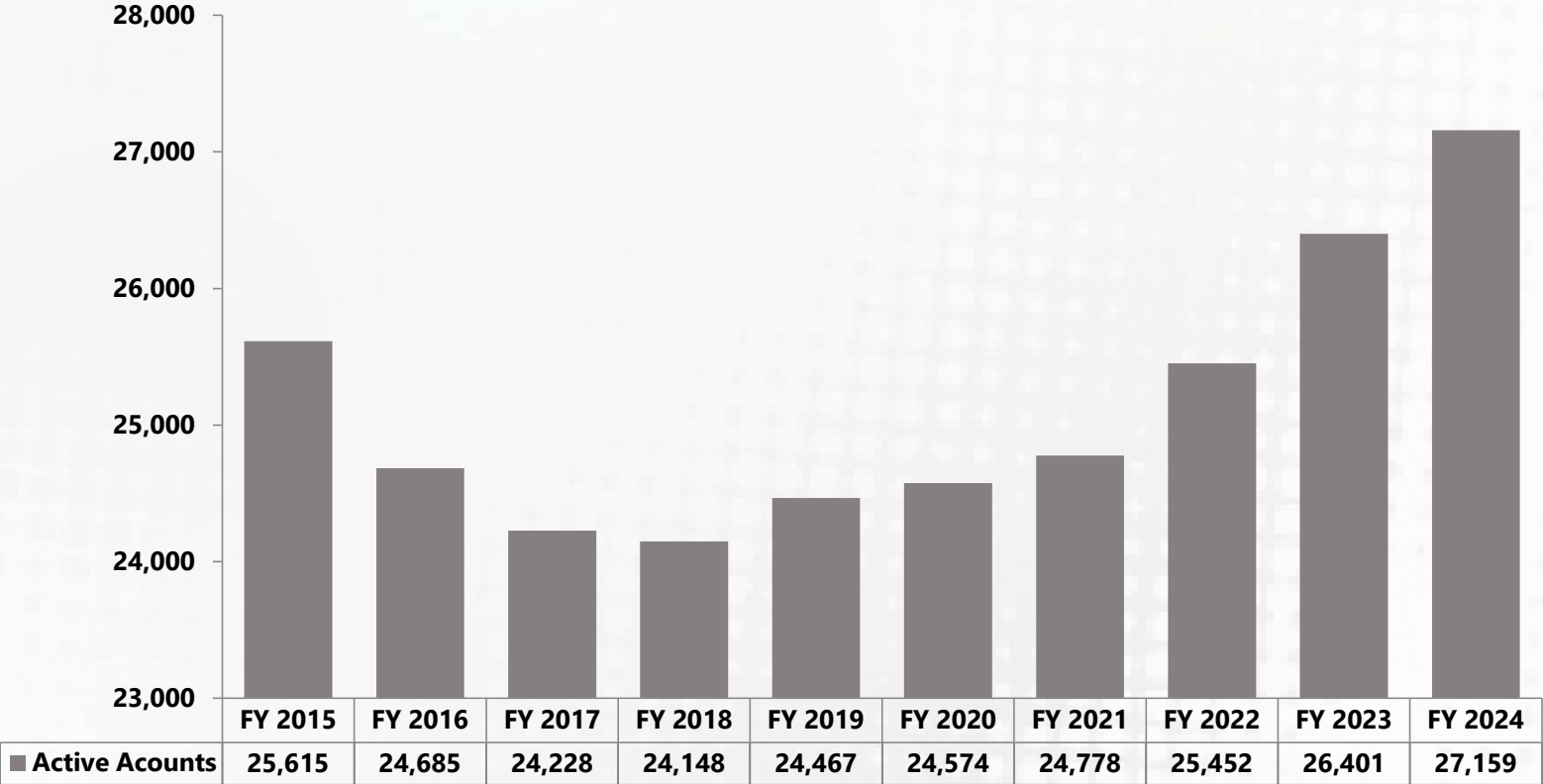
# Who We Serve

<b>Population:</b>	<b>796,568</b>
<b>Covered Workforce:</b>	<b>412,536</b>
<b>Employer Accounts:</b>	<b>27,159</b>
<b>Claims Filed :</b>	<b>17,042</b>
<b>WSI Staff:</b>	<b>260 FTE</b>
<b>Earned Premiums:</b>	<b>\$181 M</b>
<b>WSI Assets:</b>	<b>\$2.2 B</b>





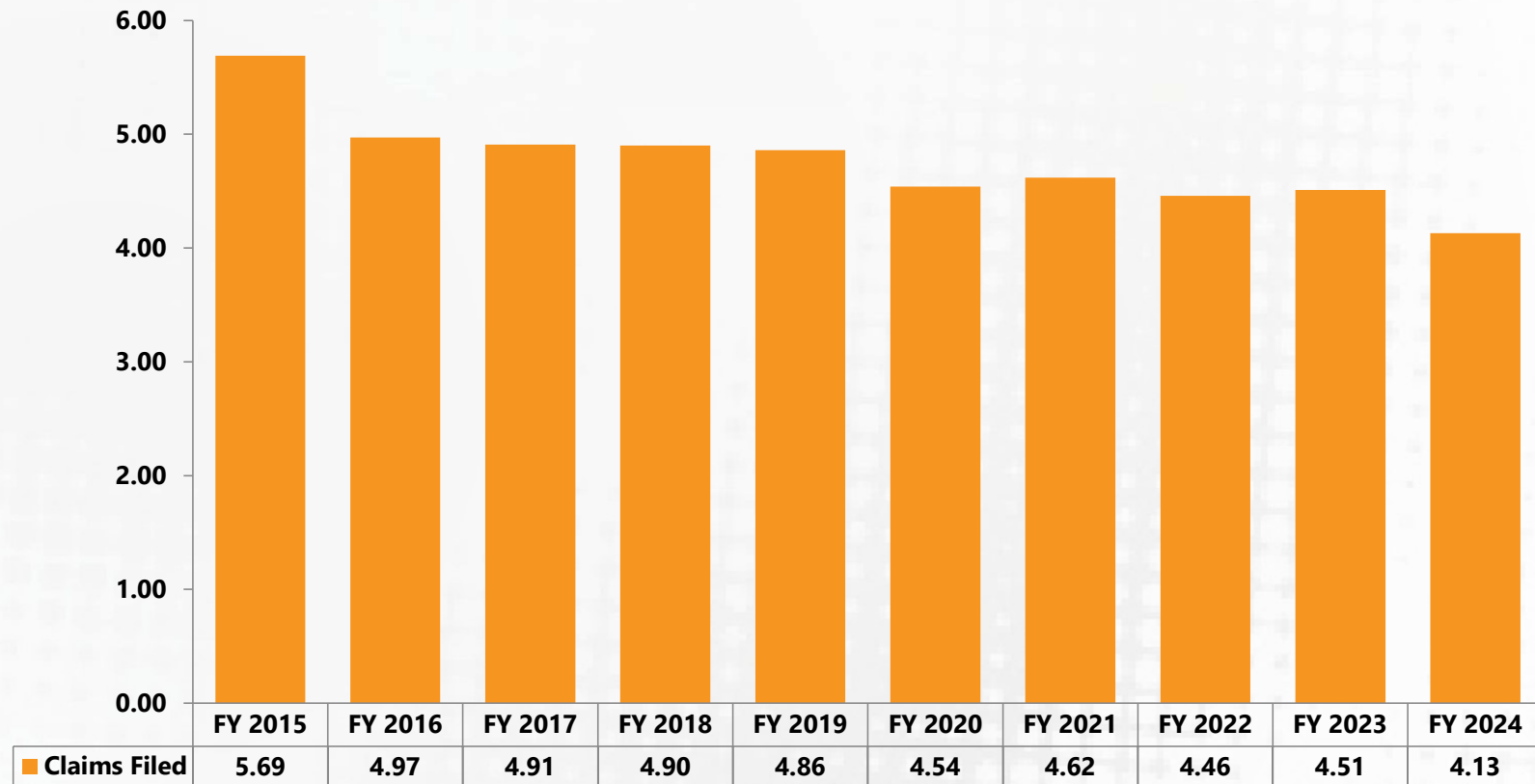
# Active Employer Accounts



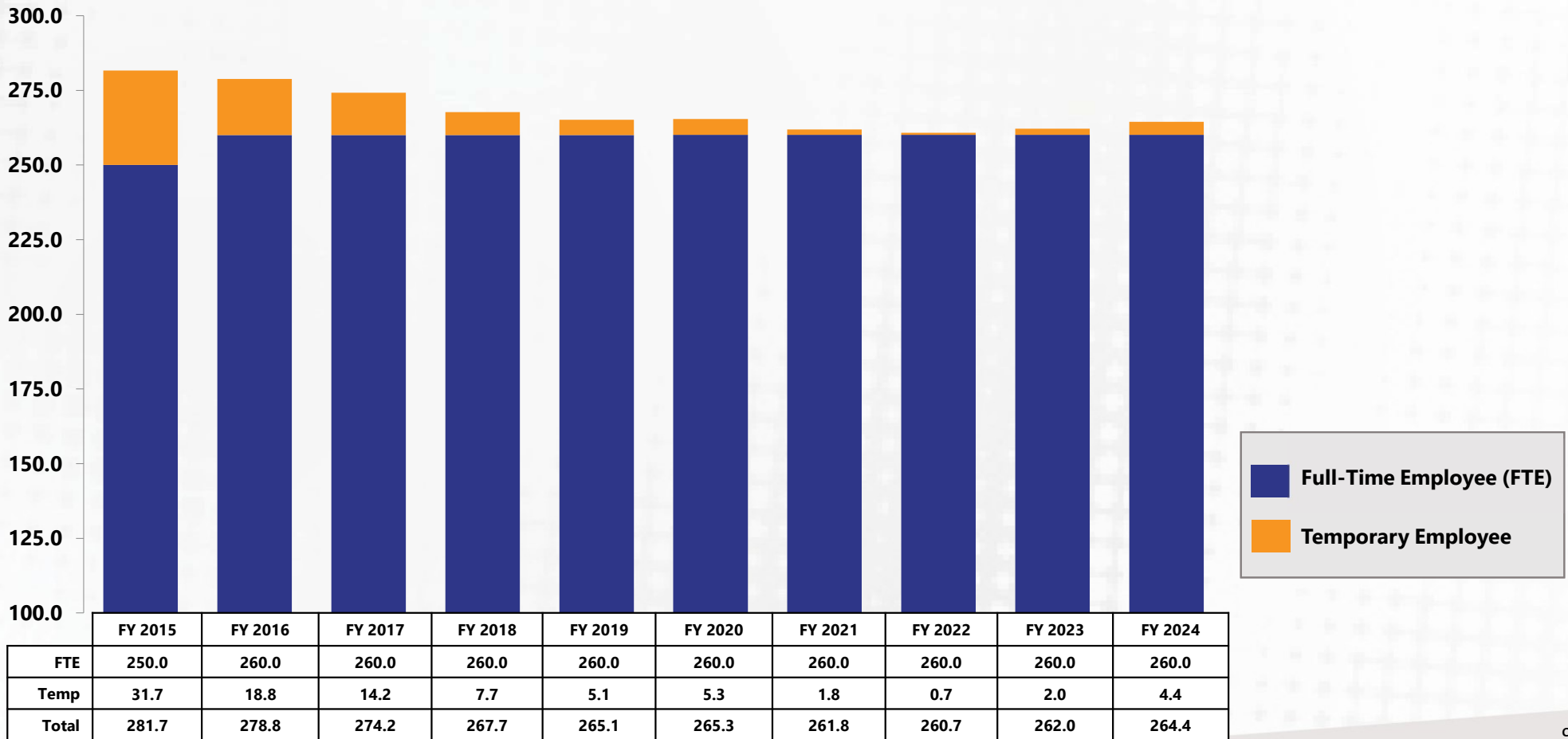
# Claims Filed by Fiscal Year



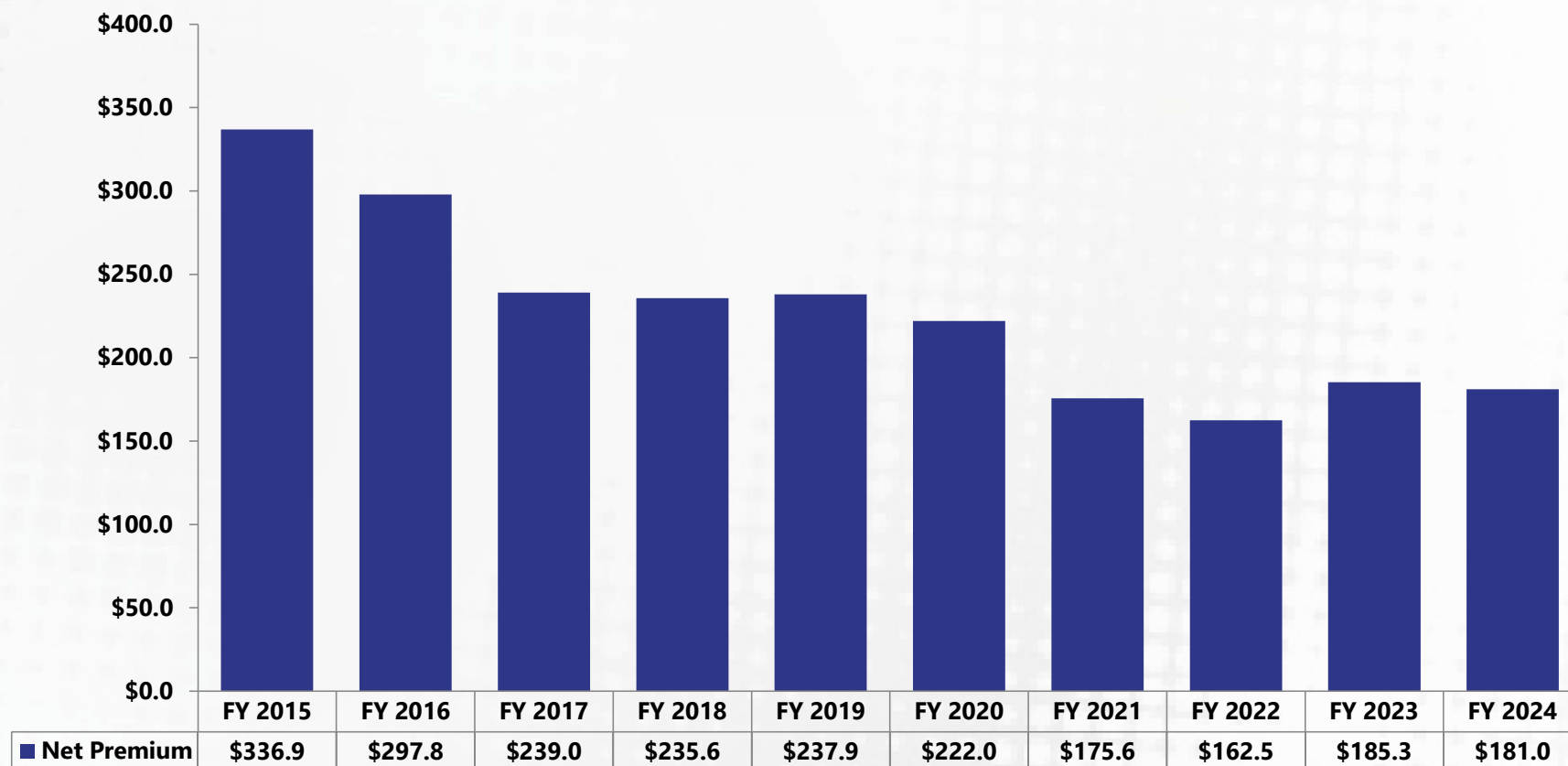
# Claims Filed Per 100 Covered Workers



# Employee Count by Fiscal Year



# Net Earned Premiums (\$ Millions)



# How WSI Measures Success

## Safety Focus

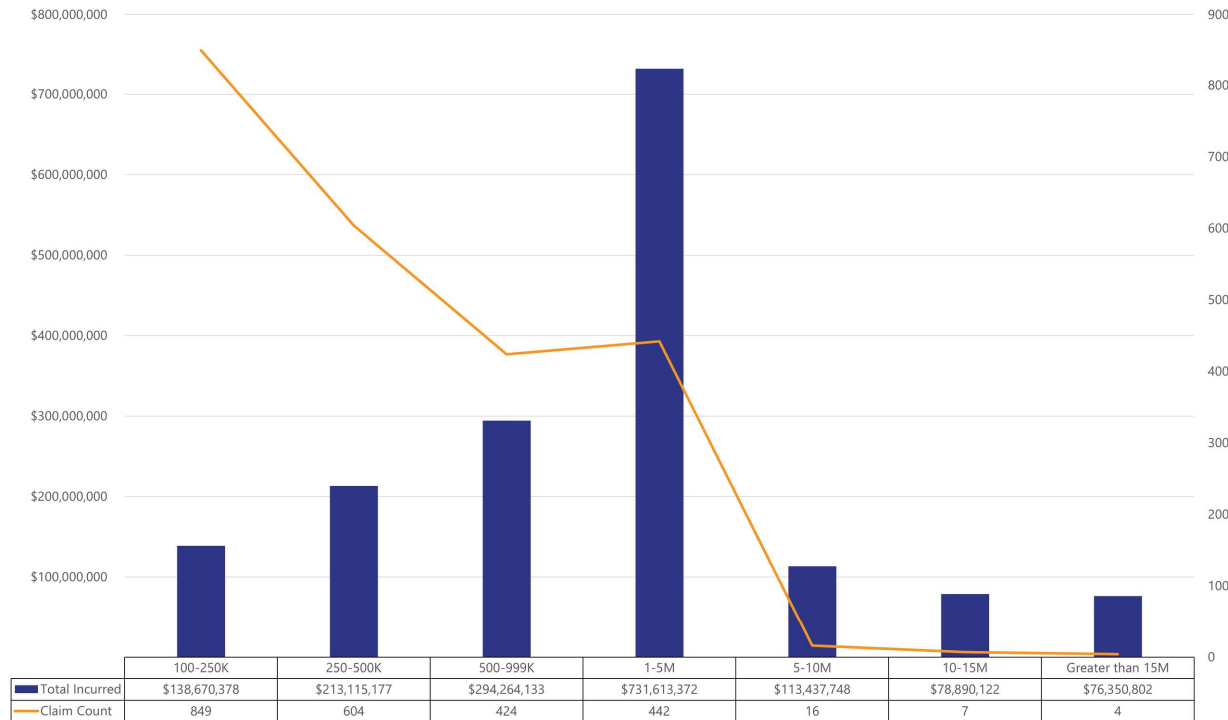
Injury rates have been reduced by 27% over the last decade. In fiscal year 2024, WSI issued \$23.9 million in safety premium discounts to employers for successful participation in Safety Programs.

## Financially Strong

The WSI fund exceeds statutory surplus requirements. WSI issued \$1.8 billion in employer dividends in the past 19 out of 20 years.

# Open Claims Greater Than \$100,000

	Total Reserves	Total Paid	Total Incurred (Paid & Reserves)	Claim Count
100-250K	29,197,014	109,473,364	138,670,378	849
250-500K	46,224,932	166,890,245	213,115,177	604
500-999K	66,713,366	227,550,767	294,264,133	424
1-5M	334,808,093	396,805,279	731,613,372	442
5-10M	59,988,009	53,449,740	113,437,748	16
10-15M	52,376,543	26,513,579	78,890,122	7
Greater than 15M	51,110,413	25,240,389	76,350,802	4
<b>Total</b>	<b>\$640,418,370</b>	<b>\$1,005,923,361</b>	<b>\$1,646,341,732</b>	



As of 11/30/2024

\* Undeveloped - reported losses excluding IBNR

# How WSI Measures Success

## Enhanced Technology

The goal of CAPS and myWSI is to improve customer service, enhance system maintainability for our internal and external customers.

## Few Disputes & Low Litigation

North Dakota is known to be one of the least litigious workers' compensation systems in the country. Only half of 1% of decisions issued proceed to an administrative court hearing.



# How WSI Measures Success

## Strong Statutory Benefits

North Dakota provides a favorable benefit package for injured employees as compared to other jurisdictions.

## Low Premiums

Premiums were reduced for the 9th consecutive year with an average 0.6% reduction for the current policy year. North Dakota continuously ranks as the lowest premium state in the nation (2022 Oregon Premium Study).

# How WSI Measures Success

## Good Payor

Fair payment for medical and hospital services ensures injured employees access to quality healthcare. WSI fee schedules range from 163% to 250% of what Medicare would pay.

## Customer Satisfaction

WSI's customer satisfaction consistently ranks high on 1 to 5-point scale: Employer – 4.41; Injured Employee – 4.24; Medical Provider – 3.94.

# WSI 2025-2027 Biennial Appropriation Request

		2025-2027 Requested Budget*
1	WSI Base Level Appropriation	\$70,929,926
	<b><u>One-Time Funding Description</u></b>	
	Claims and Policy System (CAPS)	\$5,208,325
	myWSI	\$1,366,050
	Facility Improvements	\$2,000,000
2	Total One-Time Funding	\$8,574,375
	WSI Biennial Appropriation (1 + 2)	\$79,504,301
	FTE Authority	260
	<b>*Minus employee pay package.</b>  <b>Unspent funds remain in the WSI fund.</b>	

# One-Time Funding

## Continued Development of Claims and Policy System (CAPS)

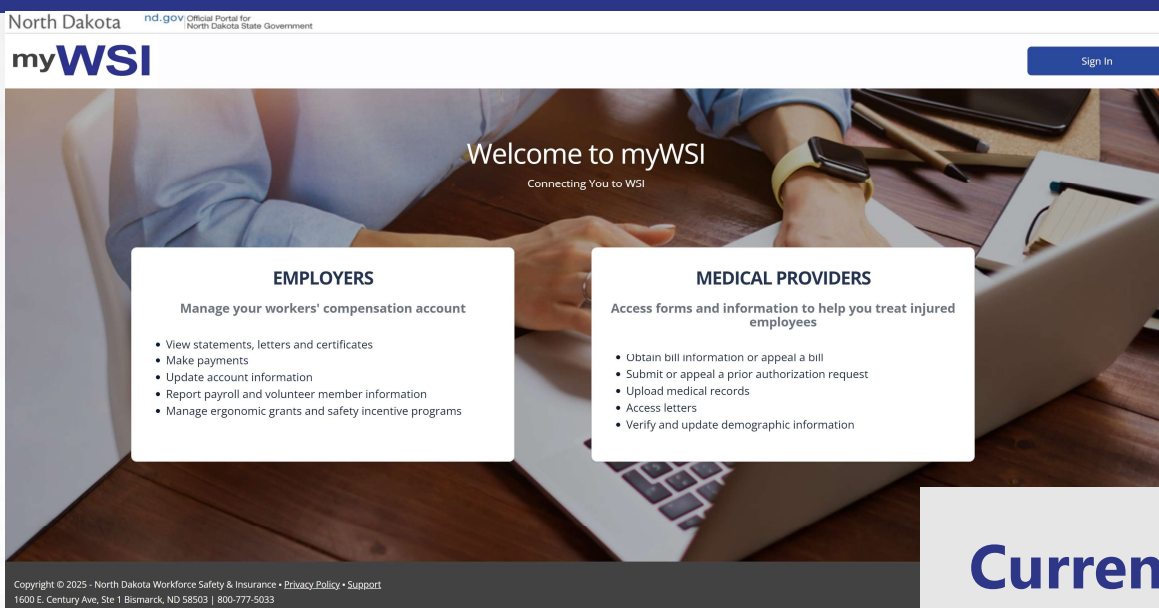


The goal of CAPS is to replace WSI's core business system software with web-based technology to improve customer service, enhance system maintainability and provide enhanced reporting and accessibility to information.

<b>Current Biennium</b>	<b>\$4,950,000</b>
<b>Next Biennium</b>	<b>\$5,208,325</b>

# One-Time Funding

## Continued Development of myWSI



The goal of myWSI is to create a secure, self-service portal for external customers and stakeholders to view, update, submit and retrieve information relating to interactions with WSI.

<b>Current Biennium</b>	<b>\$1,830,000</b>
<b>Next Biennium</b>	<b>\$1,366,050</b>

# One-Time Funding

## Facility Improvements



Initiatives include a roof replacement, carpet installation, bathroom counters and sink upgrades, and exterior block and mortar repairs to ensure long-term protection and efficiency.

**Next Biennium**

**\$2,000,000**



# WSI Summary

- WSI is financially stable, with proven programs to reduce workplace injuries and to treat and return injured employees to the job.
- North Dakota provides a favorable benefit structure for injured employees
- WSI is a good steward of premium dollars.
- WSI is strong partner with the medical community.
- WSI has few disputes and high customer satisfaction.

# Questions?

## Legislators' Guide to WSI

Learn more about WSI and our services that support our vision of creating a safe, secure, and healthy North Dakota workforce.



Visit [workforcesafety.com/NDLegislature](https://workforcesafety.com/NDLegislature)

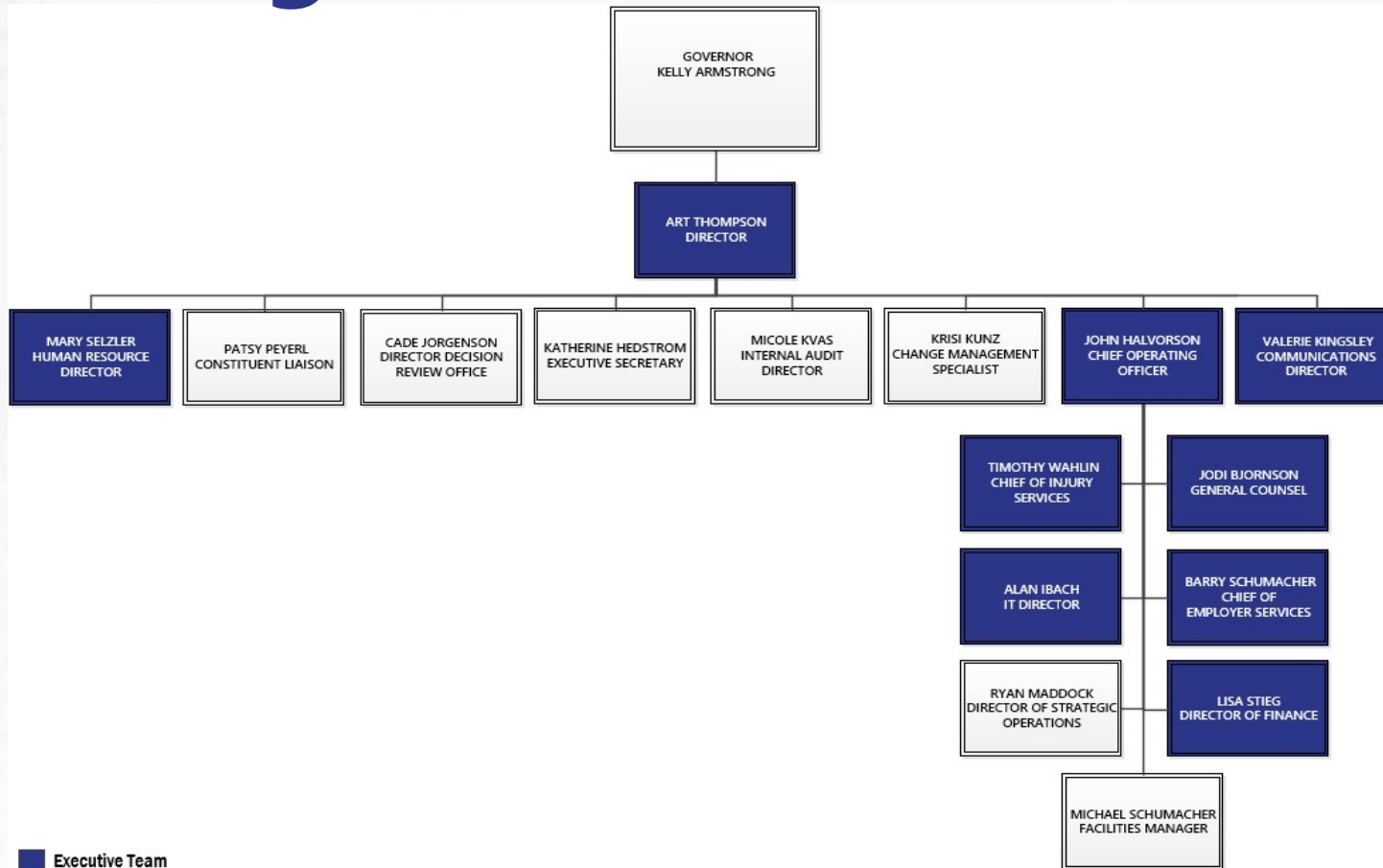


# Appendix

---

<b>A1</b>	<b>WSI Organization Chart</b>
<b>A2</b>	<b>2024 Financial Audit</b>
<b>A3</b>	<b>Vacant FTE Funding Pool</b>
<b>A4 – A7</b>	<b>State by State Average Weekly Wage &amp; Benefit Comparison</b>
<b>A8 – A9</b>	<b>State by State Premium Comparisons</b>
<b>A10 – A14</b>	<b>Historical Workers' Compensation Benefit &amp; Service Enhancement Legislation</b>
<b>A15</b>	<b>IT Projects Timeline &amp; Funding</b>

# WSI Organizational Chart



 Executive Team

# Financial Audit

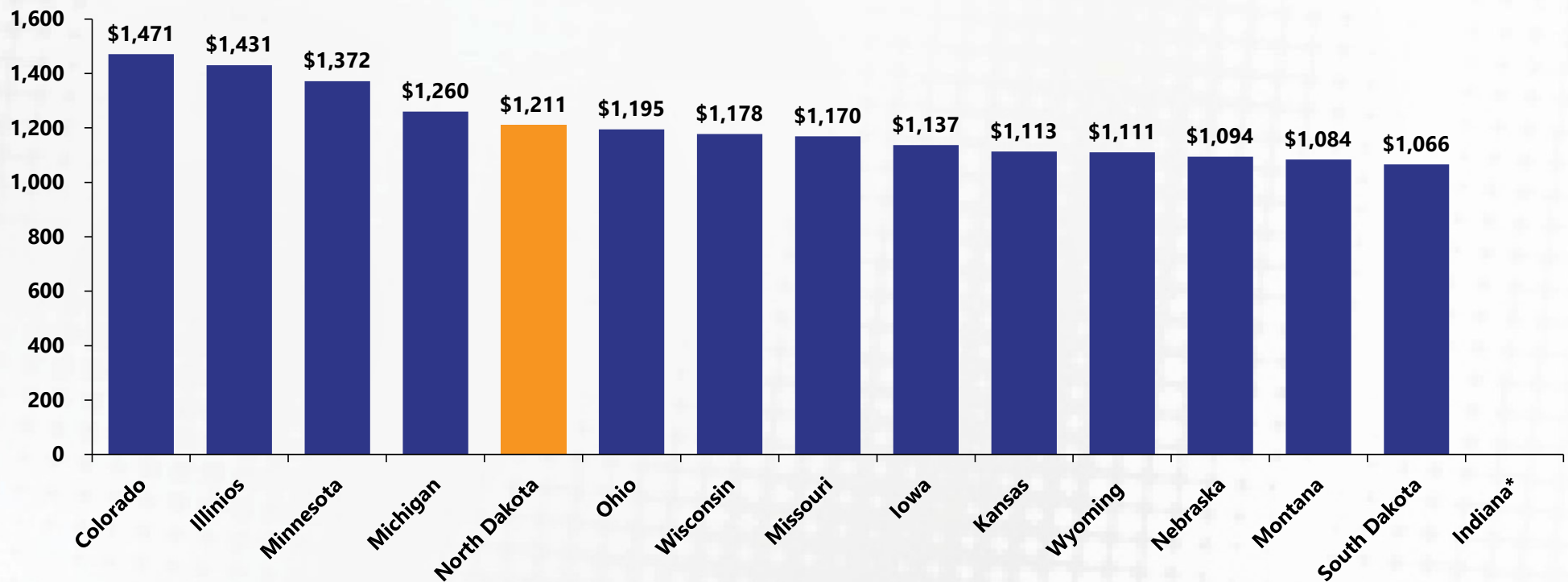
The FY2024 Financial Audit conducted by Eide Bailly noted no material weaknesses, no significant compliance findings, and no prior year findings to update.

# Vacant FTE Funding Pool

Amount removed from WSI appropriation:	\$3,701,233
70% of total available to request:	\$2,590,863
Total funds requested:	\$2,398,056
Remaining FTE Pool Amount:	\$192,807

## Benefit Comparison (2024)

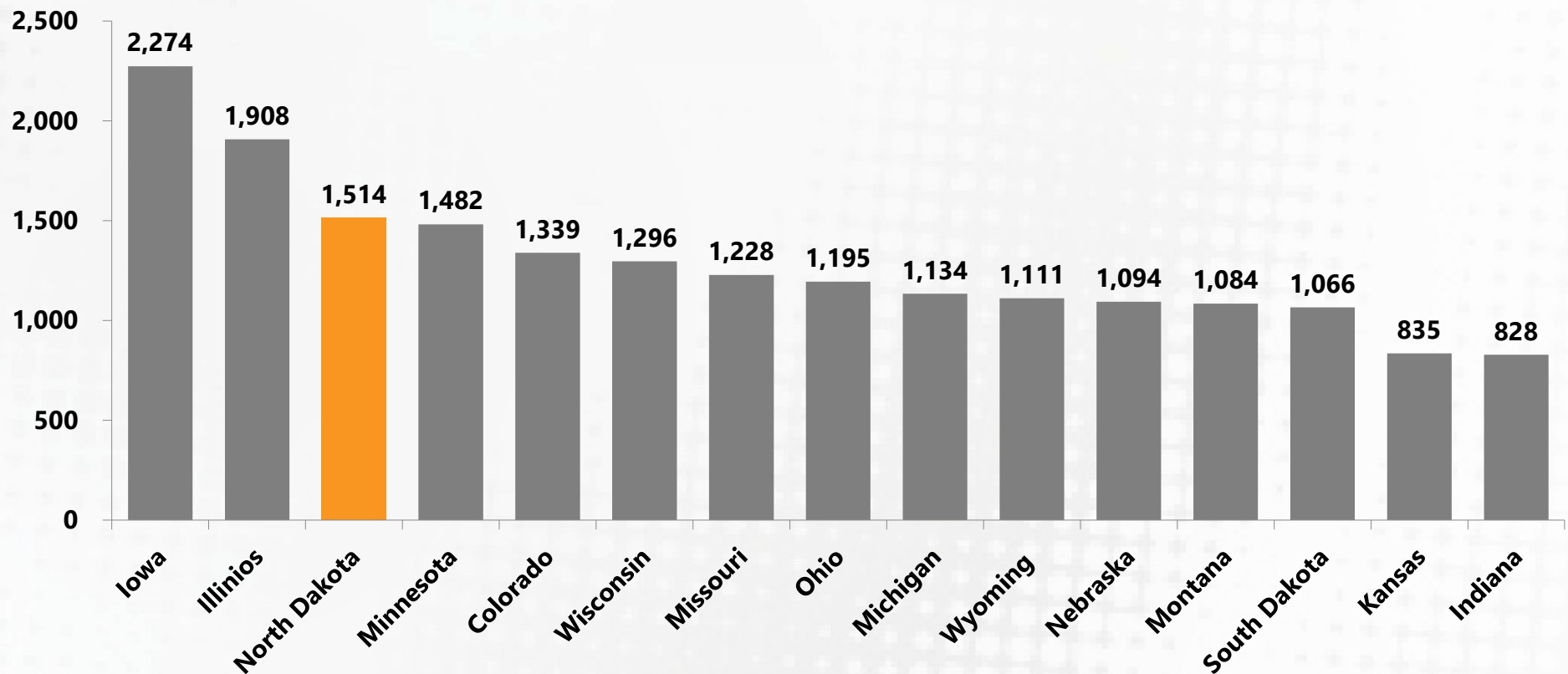
### State's Average Weekly Wage by State



\* **No data available for Indiana.** Wyoming - 2/3 of monthly gross wage can not exceed 100% of the statewide average monthly wage calculated quarterly – Data shown is from 3<sup>rd</sup> quarter 2024.

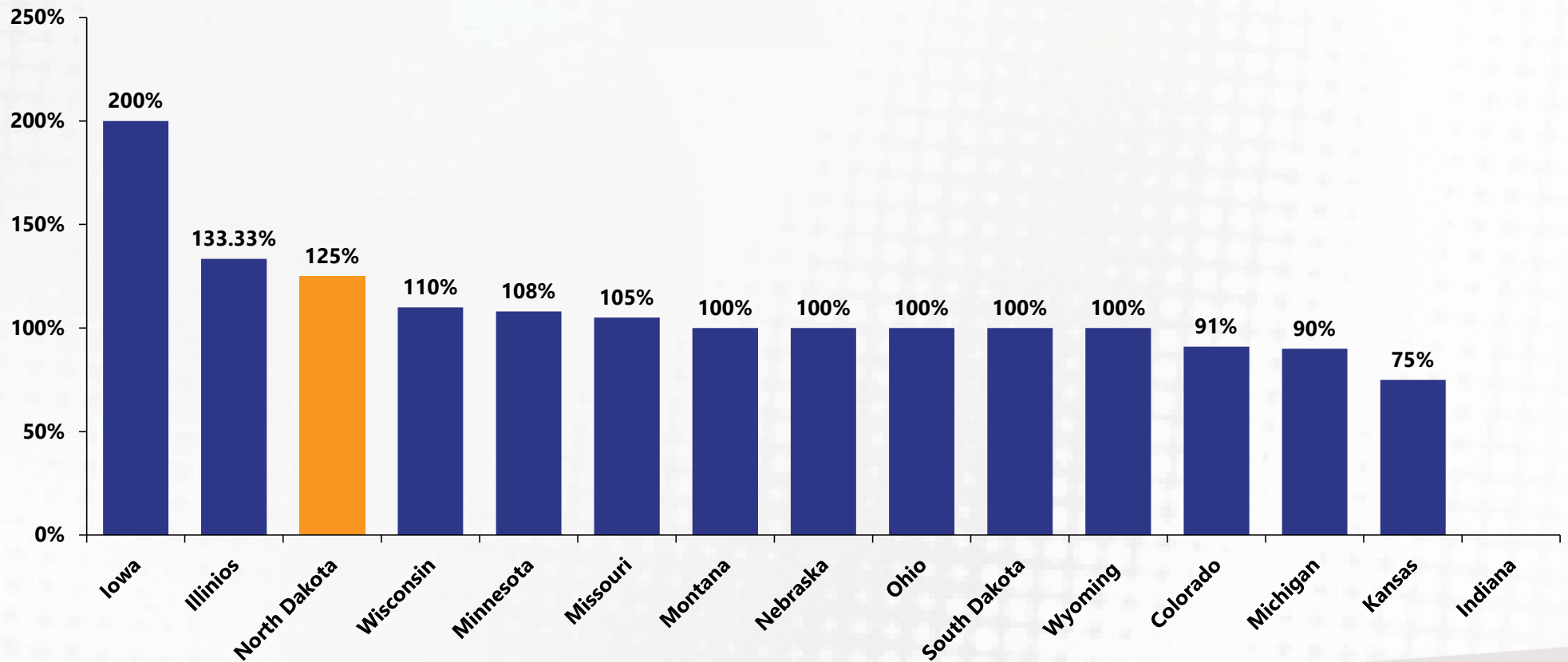
## Benefit Comparison (2024)

### Maximum Weekly Benefit Amount by State



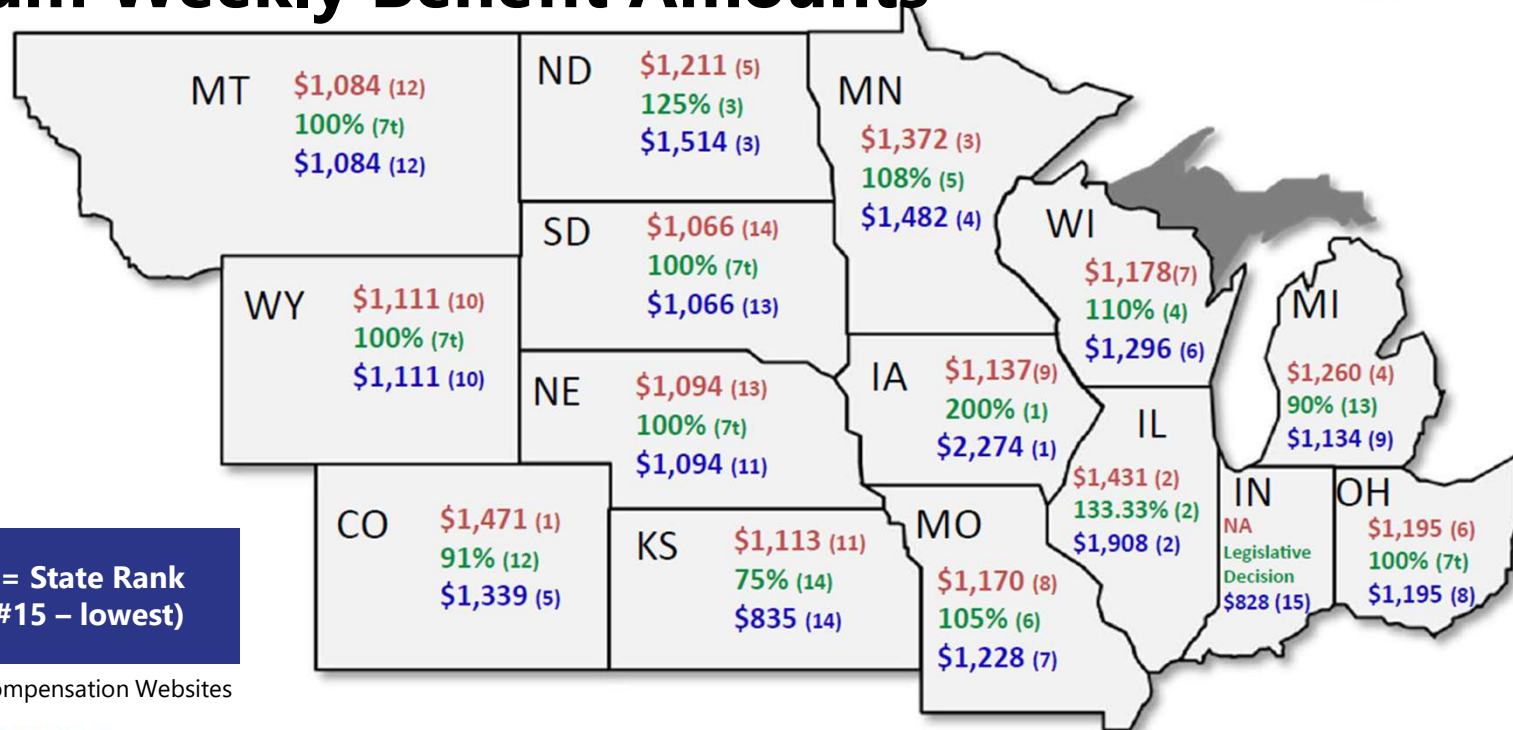
## Benefit Comparison (2024)

### Maximum Weekly Benefit Rate by State



## Midwest States (2024)

### State's Average Weekly Wage, Maximum Benefit Rates and Maximum Weekly Benefit Amounts



\* Parenthesis = State Rank  
(#1 – highest to #15 – lowest)

Source: State Workers' Compensation Websites

SAWW (WY uses State's Avg Monthly Wage—calculated quarterly—3rd Qtr 2024 shown)

Max. Weekly Benefit Rate

Max. Weekly Benefit Amount



# Premium Index Comparison

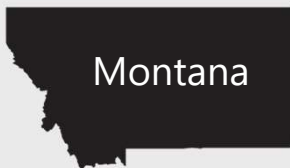
**Per 2022 Oregon Study** - Neighbor state's rates compared to North Dakota (before any dividends)



**2.2 X**  
Higher



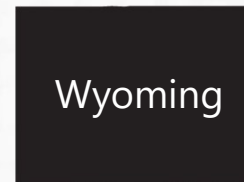
**2.7 X**  
Higher



**2.5 X**  
Higher

Source: Oregon Study

**Monopolistic States:** State's rates compared to North Dakota (before any dividends)



**3.2 X**  
Higher

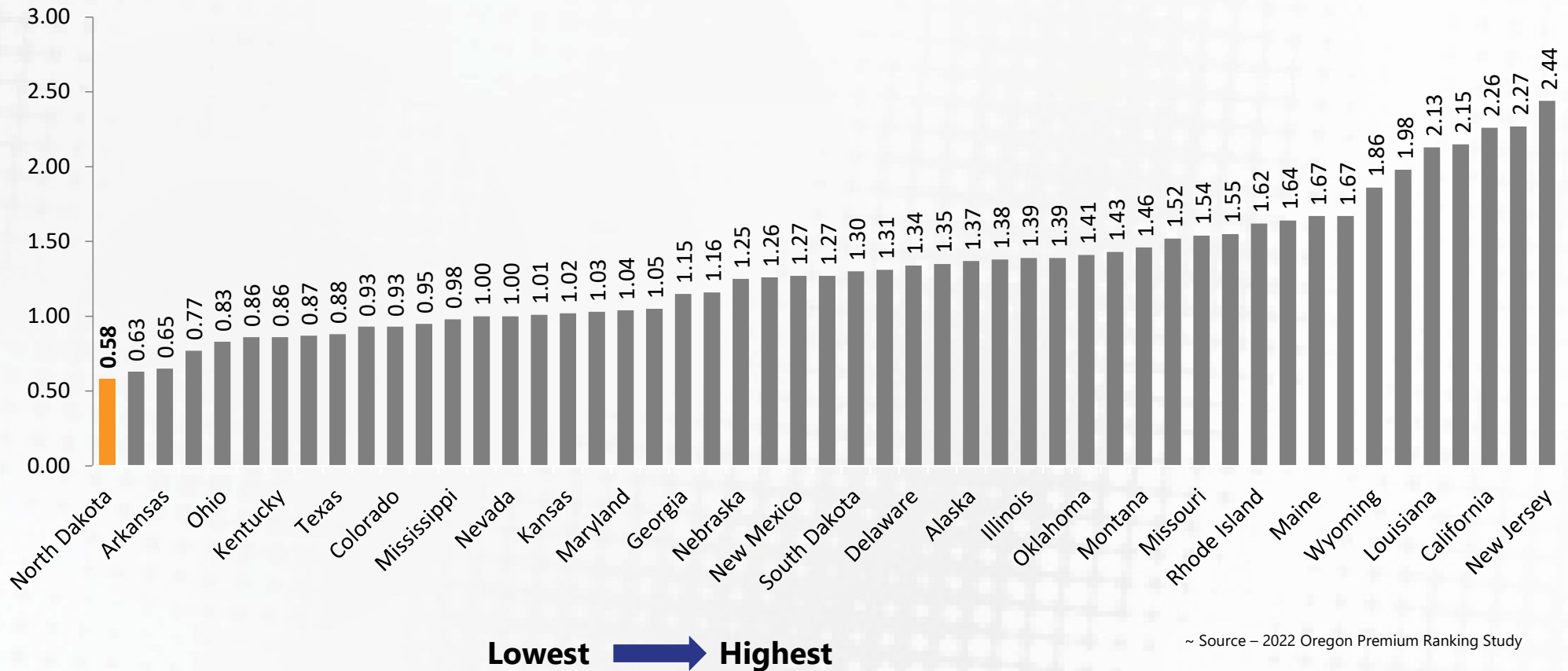


**2.3 X**  
Higher



**1.4 X**  
Higher

# Premium Index Rate by State



~ Source – 2022 Oregon Premium Ranking Study

# Historical Workers' Compensation Benefit & Service Enhancement Legislation

## 2023 Legislation

- Expands coverage for preventive treatment for exposures to bloodborne pathogens to all covered occupational classifications (HB 1052)
- Extends presumption coverage to full-time paid law enforcement and paid firefighter personnel with less than 5 years of continuous service for cardiac related events that result from strenuous activity and occur within 48 hours of participating in that activity (HB 1279)

## 2021 Legislation

- Extends injured worker appeal timeframes from 30 to 45 days after a notice of decision or administrative order has been issued (HB 1040)
- Provides WSI a communication mode with relevant parties in the event of a deceased or incapacitated injured worker absent a signed release (HB 1084)

## 2019 Legislation

- Establishes case processing, tracking, and reporting requirements for Office of Administrative Hearings (HB 1064)
- Allows WSI to establish alternative dispute resolution pilot programs (HB 1073)
- Provides up to three years of disability benefits for injured workers that had disability benefits discontinued pre-retirement and a reapplication for benefits post-retirement (HB 1188)

## 2017 Legislation

- Provides for payments of an injured worker's attorney fees and costs at the level in which they prevailed regardless of whether the organization ultimately prevails (SB 2048)
- Establishes a civil penalty in the amount of \$5,000 for an employer who willfully makes a false statement attempting to preclude an injured worker from securing benefits (SB 2094)

# Historical Workers' Compensation Benefit & Service Enhancement Legislation (cont.)

## 2015 Legislation

- Expanded eligibility for the scholarship fund to include children up through age twenty-six (HB 1102)
- Expanded the eligibility of children that can utilize the educational revolving loan fund (HB 1102)

## 2013 Legislation

- Provided for a study of the preferred provider program (HB 1051)
- Strengthened notification requirements for employers participating in the preferred provider program (HB 1052)
- Increased benefits for National Guard members who are injured while serving on state active duty (HB 1080)
- Expanded definition of law enforcement officer to include peace officers with the North Dakota Parks Department (SB 2134)
- Increased vehicle and vehicle adaptation allowance from \$100,000 to \$150,000 (SB 2178)

## 2011 Legislation

- Established a vocational rehabilitation grant program (HB 1050)
- Provided up to two years of benefits for workers injured within two years of their presumed retirement date (HB 1051)
- Reduced the threshold for percentage of whole-body impairment to qualify for a PPI award (HB 1055)
- Increased permanent partial impairment awards (multipliers) for the lower impairment levels (HB 1055)
- Expanded eligibility for the scholarship program (SB 2114)
- Increased the annual cap that the organization can award in scholarships from \$300,000 to \$500,000 (SB 2114)
- Increased the maximum scholarship amount payable per applicant from \$4,000 per year to \$10,000 per year (SB 2114)
- Streamlined the personal reimbursement process for injured workers (SB 2114)
- Expanded eligibility for the educational revolving loan fund (SB 2114)

# Historical Workers' Compensation Benefit & Service Enhancement Legislation (cont.)

## 2009 Legislation

- Provided for payment of eyeglasses and other devices if an injury occurs and damages those prescriptive devices (HB 1061)
- Provided for an extension of an additional 20 weeks to the current 104-week limit for retraining programs (HB 1062)
- Increased the eligibility pool for job search benefits (HB 1062)
- Established pilot program to assess new methods of providing rehabilitation services (HB 1062)
- Established parameters of liability for medical expenses paid for treatment of unknown pre-existing conditions (HB 1063)
- Shortened eligibility period for cost of living adjustments (COLAs) for pre-1/1/06 total disability claims from 7 to 3 years (HB 1064)
- Expanded COLA eligibility for pre-1/1/06 claims to include temporary total benefit recipients (HB 1064)
- Outlined coverage parameters for emergency volunteer healthcare practitioners (HB 1073)
- Increased the maximum disability benefit from 110% to 125% of the state's average weekly wage (SAWW) (HB 1101)
- Increased lifetime cap on death benefits from \$250,000 to \$300,000 (HB 1101)
- Increased burial expense from \$6,500 to \$10,000 and one-time payments for spouses and dependent children (HB 1101)
- Increased the dependency allowance from \$10 to \$15 per week per child (HB 1101)
- Increased pre-acceptance disability benefits from the minimum benefit rate to the standard rate (HB 1101)
- Increased travel and other personal reimbursements on aggravation claims to 100% (HB 1101)
- Provided up to six months benefits for the surviving spouse of a PTD that provided home health care during disability (HB 1455)
- Provided that OAH conduct WSI hearings and that OAH's decisions are final (HB 1464)
- Provided for a study of the post-retirement benefit structure to be conducted during the interim (HB 1525)
- Provided that WSI outline reasons for disregarding a treating doctor's opinion (HB 1561)
- Resolution to study workers' compensation laws regarding pre-existing injuries (HCR 3008)
- Resolution to study injured worker access to legal representation (HCR 3013)
- Established a clear and convincing evidence standard to rebut the presumption clause (SB 2055)



# Historical Workers' Compensation Benefit & Service Enhancement Legislation (cont.)

## 2009 Legislation – Continued

- Provided door to door reimbursement of mileage to attend medical appointments (SB 2056)
- Established a PPI schedule award for the partial loss of eye sight (SB 2057)
- Distinguished an independent medical exam (IME) from an independent medical record review (IMR) (SB 2058)
- Provided for attorney fees and costs for review of a claim after OIR completion (SB 2059)
- Provided for a rehab training expense for maintaining a second household or traveling more than 25 miles to school (SB 2419)
- Provided WSI make a reasonable effort to designate an IME doctor within a certain radius of worker's residence (SB 2431)
- Shortened the time period in which an injured worker can request a change of doctor (SB 2432)
- Provided that WSI notify injured workers of work search obligations (SB 2433)

## 2007 Legislation

- Provided funds for purchase or adaptation of motor vehicles for catastrophically injured (HB 1038)
- Provided increased post-retirement additional benefits for certain injured workers (HB 1038)
- Expanded the population that is eligible for death benefits (HB 1038)
- Shortened eligibility period for cost of living adjustments (COLAs) from seven years to three years (HB 1038)
- Expanded the eligibility pool for WSI's revolving loan fund (HB 1038)
- Provided inflation adjustment for long-term Temporary Partial Disability benefit recipients (HB 1140)
- Provided funds for the purchase or adaptation of motor vehicles for catastrophic and exceptional circumstance claims (HB 1411)
- Provided benefits for firefighters and law enforcement officers in the event of a false positive test (SB 2042)

# Historical Workers' Compensation Benefit & Service Enhancement Legislation (cont.)

## 2005 Legislation

- Established additional safety incentives (HB 1125)
- Established ongoing funding for safety education, grant, and incentive programs (HB 1125)
- Created retraining options for injured workers (HB 1171)
- Established an injured worker educational revolving loan fund (HB 1491)
- Increased the non-dependency death award (HB 1506)
- Increased post-retirement additional benefit payments (SB 2351)

## 2003 Legislation

- Increased lifetime cap on death benefits from \$197,000 to \$250,000 (HB 1060)
- Established a \$50,000 home remodeling and vehicle adaptation allowance for catastrophic injured workers (HB 1060)
- Increased the maximum amounts for scholarship awards (HB 1120)

## 2001 Legislation

- Increased certain permanent partial impairment awards (HB 1161)

## 1999 Legislation

- Increased permanent partial impairment awards for the severely impaired (HB 1422)
- Increased the maximum disability benefit from 100% to 110% of the State's Average Weekly Wage (SB 2214)
- Shortened the waiting period for eligibility for cost-of-living adjustments from 10 years to 7 years (SB 2214)

## 1997 Legislation

- Increased weekly death benefits for surviving spouses (SB 2116)
- Created the Guardian Scholarship program (SB 2116)
- Established a post-retirement additional benefit (SB 2125)

# IT Projects Timeline & Funding

	CAPS	myWSI
Program Start Date	2015	2016
Current Estimated End Date *	2031	2027
Actual Cost:	\$ 20.3M	\$ 5.4M
Release In Progress:	\$ 2.5M	\$ 1M
Total Estimated Expenditures Remaining:	\$ 14.7M	\$ 1.4M
Estimate of Total Program Cost at Completion **	\$ 37.5M	\$ 7.8M

\* This estimated end date is dependent upon the detailed planning and baselines of the individual projects

\*\* Figures as of December 2024



# 2025 HOUSE STANDING COMMITTEE MINUTES

## Appropriations - Education and Environment Division Prairie Room, State Capitol

HB 1021  
1/20/2025

A Bill for an Act to provide an appropriation for defraying the expenses of workforce safety and insurance.

10:00 a.m. Vice Chairman Swiontek called the meeting to order.

Members present: Vice Chairman Swiontek, Representatives Martinson, Richter, Sanford and Hanson

Members absent: Chairman Nathe, Representative Louser

### Discussion Topics:

- Decrease in claims
- Funding request
- FTE's

10:00 a.m. Art Thompson, Director of Workforce Safety & Insurance, presented testimony In favor of and referenced testimony #35878.

10:26 a.m. Representative Martinson moved to amend Bill #1021 making WSI exempt from FTE pool.

10:26 a.m. Representative Sanford seconded the amendment.

Representatives	Vote
Representative Mike Nathe	A
Representative Steve Swiontek	N
Representative Karla Rose Hanson	Y
Representative Scott Louser	A
Representative Bob Martinson	Y
Representative David Richter	Y
Representative Mark Sanford	Y

Amendment passed 4-1-2.

10:34 a.m. Vice Chairman Swiontek closed the meeting.

*Steven Riehl, Committee Clerk*



**Workforce Safety and Insurance - Budget No. 485**  
**Agency Worksheet - House Bill No. 1021**

	Burgum Budget				Armstrong Budget				Armstrong Budget Compared to Burgum Budget			
	FTE Positions	General Fund	Other Funds	Total	FTE Positions	General Fund	Other Funds	Total	Increase (Decrease)			
									FTE Positions	General Fund	Other Funds	Total
2025-27 Biennium Base Level	260.14	\$0	\$65,954,976	\$65,954,976	260.14	\$0	\$65,954,976	\$65,954,976	0.00	\$0	\$0	\$0
2025-27 Ongoing Funding Changes												
Salary increase			\$2,590,913	\$2,590,913			\$2,117,947	\$2,117,947			(\$472,966)	(\$472,966)
Health insurance increase			1,578,608	1,578,608			1,578,608	1,578,608				0
Adds funding to replace the 2023-25 vacant FTE pool			3,701,233	3,701,233			3,701,233	3,701,233				0
Adds funding for information technology rate increases			315,976	315,976			315,976	315,976				0
Adjusts funding for operating expenses			(442,259)	(442,259)			(442,259)	(442,259)				0
Total ongoing funding changes	0.00	\$0	\$7,744,471	\$7,744,471	0.00	\$0	\$7,271,505	\$7,271,505	0.00	\$0	(\$472,966)	(\$472,966)
One-Time Funding Items												
Adds funding for the claims and policy system replacement project			\$5,208,325	\$5,208,325			\$5,208,325	\$5,208,325				\$0
Adds funding for the myWSI enhancement project			1,366,050	1,366,050			1,366,050	1,366,050				0
Adds funding for building improvements			2,000,000	2,000,000			2,000,000	2,000,000				0
Total one-time funding changes	0.00	\$0	\$8,574,375	\$8,574,375	0.00	\$0	\$8,574,375	\$8,574,375	0.00	\$0	\$0	\$0
Total Changes to Base Level Funding	0.00	\$0	\$16,318,846	\$16,318,846	0.00	\$0	\$15,845,880	\$15,845,880	0.00	\$0	(\$472,966)	(\$472,966)
2025-27 Total Funding	260.14	\$0	\$82,273,822	\$82,273,822	260.14	\$0	\$81,800,856	\$81,800,856	0.00	\$0	(\$472,966)	(\$472,966)
Federal funds included in other funds			\$0				\$0				\$0	
Total ongoing changes - Percentage of base level	0.0%	N/A	11.7%	11.7%	0.0%	N/A	11.0%	11.0%	N/A	N/A	N/A	N/A
Total changes - Percentage of base level	0.0%	N/A	24.7%	24.7%	0.0%	N/A	24.0%	24.0%	N/A	N/A	N/A	N/A

# 2025 HOUSE STANDING COMMITTEE MINUTES

## Appropriations - Education and Environment Division Prairie Room, State Capitol

HB 1021  
1/27/2025

BILL for an Act to provide an appropriation for defraying the expenses of workforce safety and insurance.

3:15 p.m. Chairman Nathe called the hearing to order.

Members present; Chairman Nathe, Vice Chairman Swiontek, Representatives Louser, Martinson, Richter, Sanford and Hanson

### Discussion Topics:

- FTE's

3:20 p.m. Representative Martinson moved to remove amendment and put FTE'S back into WSI pool.

3:22 p.m. Representative Sanford seconded.

3:21 p.m. Roll call vote.

Representatives	Vote
Representative Mike Nathe	Y
Representative Steve Swiontek	Y
Representative Karla Rose Hanson	N
Representative Scott Louser	N
Representative Bob Martinson	Y
Representative David Richter	Y
Representative Mark Sanford	Y

3:21 p.m. Motion passed 5-2-0.

3:40 p.m. Chairman Nathe closed the hearing.

*Steven Riehl, Committee Clerk*

# **2025 HOUSE STANDING COMMITTEE MINUTES**

## **Appropriations - Education and Environment Division** Prairie Room, State Capitol

HB 1021  
1/30/2025

BILL for an Act to provide an appropriation for defraying the expenses of workforce safety and insurance.

3:10 p.m. Chairman Nathe Called the meeting to order

Members present: Chairman Nathe, Vice Chairman Swiontek, Representatives Louser, Martinson, Richter, Sanford and Hanson

### **Discussion Topics:**

- Long Sheets

3:11 p.m. Sheila Sandess- Senior Fiscal Analyst- Legislative Council- Reviewed new budget sheet (Testimony # 33281)

3:15 p.m. Chairman Nathe Closed the meeting.

*Steven Riehl, Committee Clerk by Risa Berube*



**Workforce Safety and Insurance - Budget No. 485**  
**Agency Worksheet - House Bill No. 1021**

	Armstrong Executive Budget				House Version				House Compared to Executive Budget			
	FTE Positions	General Fund	Other Funds	Total	FTE Positions	General Fund	Other Funds	Total	Increase (Decrease)			
									FTE Positions	General Fund	Other Funds	Total
2025-27 Biennium Base Level	260.14	\$0	\$65,954,976	\$65,954,976	260.14	\$0	\$65,954,976	\$65,954,976	0.00	\$0	\$0	\$0
2025-27 Ongoing Funding Changes												
Salary increase			\$2,117,947	\$2,117,947			\$2,117,947	\$2,117,947				\$0
Health insurance increase			1,578,608	1,578,608			1,578,608	1,578,608				0
Adds funding to replace the 2023-25 vacant FTE pool			3,701,233	3,701,233			3,701,233	3,701,233				0
Removes funding for the 2025-27 vacant FTE pool			0	0			(1,366,717)	(1,366,717)			(\$1,366,717)	(1,366,717)
Adds funding for information technology rate increases			315,976	315,976			315,976	315,976				0
Adjusts funding for operating expenses			(442,259)	(442,259)			(442,259)	(442,259)				0
Total ongoing funding changes	0.00	\$0	\$7,271,505	\$7,271,505	0.00	\$0	\$5,904,788	\$5,904,788	0.00	\$0	(\$1,366,717)	(\$1,366,717)
One-Time Funding Items												
Adds funding for the claims and policy system replacement project			\$5,208,325	\$5,208,325			\$5,208,325	\$5,208,325				\$0
Adds funding for the myWSI enhancement project			1,366,050	1,366,050			1,366,050	1,366,050				0
Adds funding for building improvements			2,000,000	2,000,000			2,000,000	2,000,000				0
Total one-time funding changes	0.00	\$0	\$8,574,375	\$8,574,375	0.00	\$0	\$8,574,375	\$8,574,375	0.00	\$0	\$0	\$0
Total Changes to Base Level Funding	0.00	\$0	\$15,845,880	\$15,845,880	0.00	\$0	\$14,479,163	\$14,479,163	0.00	\$0	(\$1,366,717)	(\$1,366,717)
2025-27 Total Funding	260.14	\$0	\$81,800,856	\$81,800,856	260.14	\$0	\$80,434,139	\$80,434,139	0.00	\$0	(\$1,366,717)	(\$1,366,717)
Federal funds included in other funds			\$0				\$0				\$0	
Total ongoing changes - Percentage of base level	0.0%	N/A	11.0%	11.0%	0.0%	N/A	9.0%	9.0%	N/A	N/A	N/A	N/A
Total changes - Percentage of base level	0.0%	N/A	24.0%	24.0%	0.0%	N/A	22.0%	22.0%	N/A	N/A	N/A	N/A
Other Sections in Workforce Safety and Insurance - Budget No. 485												
Section Description	Armstrong Executive Budget				House Version							
New and vacant FTE pool line item					Section 3 provides for the use of funding in the new and vacant FTE pool line item.							

# 2025 HOUSE STANDING COMMITTEE MINUTES

## Appropriations - Education and Environment Division Prairie Room, State Capitol

HB 1021  
2/3/2025

A BILL for an Act to provide an appropriation for defraying the expenses of workforce safety and insurance.

11:08 a.m. Chairman Nathe opened the hearing.

Members present: Chairman Nathe, Vice Chairman Swiontek, Representatives Hanson, Louser, Martinson, Richter, Sanford

### **Discussion Topics:**

- Election reform
- Health insurance
- General funds

11:09 a.m. Alex Cronquist, Senior Fiscal Analyst, Legislative Council, submitted neutral testimony #33854.

11:18 a.m. Chairman Nathe closed the hearing.

*Steven Riehl, Committee Clerk by Janae Pinks*





**Workforce Safety and Insurance - Budget No. 485**  
**Agency Worksheet - House Bill No. 1021**

	Armstrong Executive Budget				House Version				House Compared to Executive Budget			
	FTE Positions	General Fund	Other Funds	Total	FTE Positions	General Fund	Other Funds	Total	Increase (Decrease)			
									FTE Positions	General Fund	Other Funds	Total
2025-27 Biennium Base Level	260.14	\$0	\$65,954,976	\$65,954,976	260.14	\$0	\$65,954,976	\$65,954,976	0.00	\$0	\$0	\$0
2025-27 Ongoing Funding Changes												
Salary increase			\$2,117,947	\$2,117,947			\$2,117,947	\$2,117,947				\$0
Health insurance increase			1,578,608	1,578,608			1,578,608	1,578,608				0
Adds funding to replace the 2023-25 vacant FTE pool			3,701,233	3,701,233			3,701,233	3,701,233				0
Removes funding for the 2025-27 vacant FTE pool				0			(1,366,717)	(1,366,717)			(\$1,366,717)	(1,366,717)
Adds funding for information technology rate increases			315,976	315,976			315,976	315,976				0
Adjusts funding for operating expenses and temporary salaries			(442,259)	(442,259)			(442,259)	(442,259)				0
Total ongoing funding changes	0.00	\$0	\$7,271,505	\$7,271,505	0.00	\$0	\$5,904,788	\$5,904,788	0.00	\$0	(\$1,366,717)	(\$1,366,717)
One-Time Funding Items												
Adds funding for the claims and policy system replacement project			\$5,208,325	\$5,208,325			\$5,208,325	\$5,208,325				\$0
Adds funding for the myWSI enhancement project			1,366,050	1,366,050			1,366,050	1,366,050				0
Adds funding for building improvements			2,000,000	2,000,000			2,000,000	2,000,000				0
Total one-time funding changes	0.00	\$0	\$8,574,375	\$8,574,375	0.00	\$0	\$8,574,375	\$8,574,375	0.00	\$0	\$0	\$0
Total Changes to Base Level Funding	0.00	\$0	\$15,845,880	\$15,845,880	0.00	\$0	\$14,479,163	\$14,479,163	0.00	\$0	(\$1,366,717)	(\$1,366,717)
2025-27 Total Funding	260.14	\$0	\$81,800,856	\$81,800,856	260.14	\$0	\$80,434,139	\$80,434,139	0.00	\$0	(\$1,366,717)	(\$1,366,717)
Federal funds included in other funds			\$0				\$0				\$0	
Total ongoing changes - Percentage of base level	0.0%	N/A	11.0%	11.0%	0.0%	N/A	9.0%	9.0%	N/A	N/A	N/A	N/A
Total changes - Percentage of base level	0.0%	N/A	24.0%	24.0%	0.0%	N/A	22.0%	22.0%	N/A	N/A	N/A	N/A

**Other Sections in Workforce Safety and Insurance - Budget No. 485**

Section Description	Armstrong Executive Budget	House Version
New and vacant FTE pool line item		Section 3 provides for the use of funding in the new and vacant FTE pool line item.

# 2025 HOUSE STANDING COMMITTEE MINUTES

## Appropriations - Education and Environment Division Prairie Room, State Capitol

HB 1021  
2/4/2025

A BILL for an Act to provide an appropriation for defraying the expenses of workforce safety and insurance.

10:04 a.m. Chairman Nathe opened the meeting.

Members Present: Chairman Nathe, Representatives Hanson, Louser, Martinson, Richter, Sanford

Members Absent: Vice Chairman Swiontek.

### Discussion Topics:

- Proposed amendment
- Special funds
- One-time funding

10:04 a.m. Representative Hanson proposed an amendment to remove some operating expenses under one-time funding items, referenced testimony #34526.

10:07 a.m. Representative Hanson moved to adopt amendment LC#25.0165.01001.

10:07 a.m. Representative Louser seconded the motion.

Representatives	Vote
Chairman Mike Nathe	Y
Vice Chairman Steve Swiontek	AB
Representative Karl Rose Hanson	Y
Representative Scott Louser	Y
Representative Bob Martinson	Y
Representative David Richter	Y
Representative Mark Sanford	Y

10:08 a.m. Motion passed 6-0-1.

10:08 a.m. Representative Hanson moved a Do Pass as Amended.

10:08 a.m. Representative Louser seconded the motion.

Representatives	Vote
Chairman Mike Nathe	Y
Vice Chairman Steve Swiontek	AB
Representative Karl Rose Hanson	Y
Representative Scott Louser	Y
Representative Bob Martinson	Y



Representative David Richter	Y
Representative Mark Sanford	Y

10:09 a.m. Motion passed 6-0-1.

Bill carrier not assigned.

**Additional written testimony:**

Sheila Sandness, Senior Fiscal Analyst, ND Legislative Council, submitted neutral testimony #34518.

10:09 a.m. Chairman Nathe closed the meeting.

*Janae Pinks, Committee Clerk for Steven Riehl, Committee Clerk*



**Workforce Safety and Insurance - Budget No. 485**  
**Agency Worksheet - House Bill No. 1021**

	Armstrong Executive Budget				House Version				House Compared to Executive Budget			
	FTE Positions	General Fund	Other Funds	Total	FTE Positions	General Fund	Other Funds	Total	Increase (Decrease)			
									FTE Positions	General Fund	Other Funds	Total
2025-27 Biennium Base Level	260.14	\$0	\$65,954,976	\$65,954,976	260.14	\$0	\$65,954,976	\$65,954,976	0.00	\$0	\$0	\$0
2025-27 Ongoing Funding Changes												\$0
Salary increase			\$2,117,947	\$2,117,947			\$2,117,947	\$2,117,947				0
Health insurance increase			1,578,608	1,578,608			1,578,608	1,578,608				0
Adds funding to replace the 2023-25 vacant FTE pool			3,701,233	3,701,233			3,701,233	3,701,233				0
Removes funding for the 2025-27 vacant FTE pool				0			(1,366,717)	(1,366,717)			(\$1,366,717)	(1,366,717)
Adds funding for information technology rate increases			315,976	315,976			315,976	315,976				0
Adjusts funding for operating expenses and temporary salaries			(442,259)	(442,259)			(442,259)	(442,259)				0
Total ongoing funding changes	0.00	\$0	\$7,271,505	\$7,271,505	0.00	\$0	\$5,904,788	\$5,904,788	0.00	\$0	(\$1,366,717)	(\$1,366,717)
One-Time Funding Items												\$0
Adds funding for the claims and policy system replacement project			\$5,208,325	\$5,208,325			\$5,208,325	\$5,208,325				0
Adds funding for the myWSI enhancement project			1,366,050	1,366,050			1,366,050	1,366,050				0
Adds funding for building improvements			2,000,000	2,000,000			2,000,000	2,000,000				0
Total one-time funding changes	0.00	\$0	\$8,574,375	\$8,574,375	0.00	\$0	\$8,574,375	\$8,574,375	0.00	\$0	\$0	\$0
Total Changes to Base Level Funding	0.00	\$0	\$15,845,880	\$15,845,880	0.00	\$0	\$14,479,163	\$14,479,163	0.00	\$0	(\$1,366,717)	(\$1,366,717)
2025-27 Total Funding	260.14	\$0	\$81,800,856	\$81,800,856	260.14	\$0	\$80,434,139	\$80,434,139	0.00	\$0	(\$1,366,717)	(\$1,366,717)
Federal funds included in other funds			\$0	\$0			\$0	\$0			\$0	\$0
Total ongoing changes - Percentage of base level	0.0%	N/A	11.0%	11.0%	0.0%	N/A	9.0%	9.0%	N/A	N/A	N/A	N/A
Total changes - Percentage of base level	0.0%	N/A	24.0%	24.0%	0.0%	N/A	22.0%	22.0%	N/A	N/A	N/A	N/A

**Other Sections in Workforce Safety and Insurance - Budget No. 485**

Section Description	Armstrong Executive Budget	House Version
New and vacant FTE pool line item		Section 3 provides for the use of funding in the new and vacant FTE pool line item.

25.0165.01001  
Title.  
Fiscal No. 1

Prepared by the Legislative Council  
staff for House Appropriations -  
Education and Environment Division  
Committee

February 3, 2025

Sixty-ninth  
Legislative Assembly  
of North Dakota

## PROPOSED AMENDMENTS TO

### HOUSE BILL NO. 1021

Introduced by

Appropriations Committee

1 A BILL for an Act to provide an appropriation for defraying the expenses of workforce safety and  
2 insurance.

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

4 **SECTION 1. APPROPRIATION.** The funds provided in this section, or so much of the funds  
5 as may be necessary, are appropriated from special funds derived from the workforce safety  
6 and insurance fund in the state treasury, not otherwise appropriated, to workforce safety and  
7 insurance, for the biennium beginning July 1, 2025, and ending June 30, 2027, as follows:

	Base Level	Adjustments or Enhancements	Appropriation
10 <del>Workforce safety and insurance</del>	<del>\$65,954,976</del>	<del>\$0</del>	<del>\$65,954,976</del>
11 <del>—operations</del>			
12 <del>Total special funds</del>	<del>\$65,954,976</del>	<del>\$0</del>	<del>\$65,954,976</del>
13 <del>Full-time equivalent positions</del>	<del>260.14</del>	<del>0.00</del>	<del>260.14</del>
14 <u>Workforce safety and insurance</u>	<u>\$65,954,976</u>	<u>\$11,290.155</u>	<u>\$77,245.131</u>
15 <u>operations</u>			
16 <u>New and vacant FTE pool</u>	<u>0</u>	<u>3,189.008</u>	<u>3,189.008</u>
17 <u>Total special funds</u>	<u>\$65,954,976</u>	<u>\$14,479.163</u>	<u>\$80,434.139</u>
18 <u>Full-time equivalent positions</u>	<u>260.14</u>	<u>0.00</u>	<u>260.14</u>

1       **SECTION 2. ONE-TIME FUNDING - EFFECT ON BASE BUDGET - REPORT TO**

2       **SEVENTIETH LEGISLATIVE ASSEMBLY.** The following amounts reflect the one-time funding  
3 items included in the appropriation in section 1 of this Act which are not included in the entity's  
4 base budget for the 2027-29 biennium and which the entity shall report to the appropriations  
5 committees of the seventieth legislative assembly regarding the use of this funding:

6 <u>One-Time Funding Description</u>	Other Funds
7       Claims and policy system replacement project	\$5,208,325
8       MyWSI extranet enhancement project	1,366,050
9       Building improvements	<u>2,000,000</u>
10      Total	\$8,574,375

11       **SECTION 3. NEW AND VACANT FTE POOL - LIMITATION - TRANSFER REQUEST.**

12      Workforce safety and insurance may not spend funds appropriated in the new and vacant FTE  
13 pool line item in section 1 of this Act, but may request the office of management and budget to  
14 transfer funds from the new and vacant FTE pool line item to workforce safety and insurance  
15 operations line item in accordance with the guidelines and reporting provisions included in  
16 House Bill No. 1015, as approved by the sixty-ninth legislative assembly.



**STATEMENT OF PURPOSE OF AMENDMENT:****House Bill No. 1021 - Workforce Safety and Insurance - House Action**

	Base Budget	House Changes	House Version
New and vacant FTE pool		\$3,189,008	\$3,189,008
WSI operations	\$65,954,976	11,290,155	77,245,131
Total all funds	\$65,954,976	\$14,479,163	\$80,434,139
Less estimated income	65,954,976	14,479,163	80,434,139
General fund	\$0	\$0	\$0
FTE	260.14	0.00	260.14

**Department 485 - Workforce Safety and Insurance - Detail of House Changes**

	Adds Funding for Salary and Benefit Increases <sup>1</sup>	Adds Funding to Replace 2023-25 Vacant FTE Pool <sup>2</sup>	Transfers Funding for 2025-27 New and Vacant FTE Pool <sup>3</sup>	Adds Funding for Information Technology Rate Increases <sup>4</sup>	Adjusts Funding for Operating Expenses and Temporary Salaries <sup>5</sup>	Adds One-Time Funding for the CAPS Replacement Project <sup>6</sup>
New and vacant FTE pool			\$3,189,008			
WSI operations	\$3,696,555	\$3,701,233	(4,555,725)	\$315,976	(\$442,259)	\$5,208,325
Total all funds	\$3,696,555	\$3,701,233	(\$1,366,717)	\$315,976	(\$442,259)	\$5,208,325
Less estimated income	3,696,555	3,701,233	(1,366,717)	315,976	(442,259)	5,208,325
General fund	\$0	\$0	\$0	\$0	\$0	\$0
FTE	0.00	0.00	0.00	0.00	0.00	0.00

	Adds One-Time Funding for the myWSI Enhancement Project <sup>7</sup>	Adds One-Time Funding for Building Improvement <sup>8</sup>	Total House Changes
New and vacant FTE pool			\$3,189,008
WSI operations	\$1,366,050	\$2,000,000	11,290,155
Total all funds	\$1,366,050	\$2,000,000	\$14,479,163
Less estimated income	1,366,050	2,000,000	14,479,163
General fund	\$0	\$0	\$0
FTE	0.00	0.00	0.00

<sup>1</sup> The following funding is added for 2025-27 biennium salary adjustments of 3 percent on July 1, 2025, and 3 percent on July 1, 2026, and increases in health insurance premiums from \$1,643 to \$1,893 per month:

**Special  
Funds**

Salary increase	\$2,117,947
Health insurance increase	1,578,608
Total	\$3,696,555

<sup>2</sup> Funding of \$3,701,233 from the Workforce Safety and Insurance fund is added to replace 2023-25 biennium vacant FTE pool funding.

<sup>3</sup> Funding of \$4,555,725 is removed for estimated savings from vacant 2025-27 FTE positions and \$3,189,008 is added for a new and vacant FTE pool line item resulting in net savings of \$1,366,717.

<sup>4</sup> Funding of \$315,976 from the Workforce Safety and Insurance fund is added for information technology rate increases.

<sup>5</sup> Funding of \$442,259 is removed from the Workforce Safety and Insurance fund for temporary salaries and operating expenses, including office equipment, travel, and professional development.

<sup>6</sup> One-time funding of \$5,208,325 is added from the Workforce Safety and Insurance fund for the claims and policy system replacement project. The agency has spent \$21,200,000 on the project since July 2015 and anticipates \$16,300,000 is needed to complete the project by 2031 at a total cost of \$37,500,000.

<sup>7</sup> One-time funding of \$1,366,050 is added from the Workforce Safety and Insurance fund for the myWSI enhancement project. The agency has spent \$5,700,000 on the project since November 2016 and anticipates \$2,100,000 is needed to complete the project by 2027 at a total cost of \$7,800,000.

<sup>8</sup> One-time funding of \$2 million is added from the Workforce Safety and Insurance fund for building improvements, including a roof replacement, carpet installation, bathroom upgrades, and exterior repairs.

---

**House Bill No. 1021 - Other Changes - House Action**

A section is also added regarding the use of funding in the new and vacant FTE pool line item.

# 2025 HOUSE STANDING COMMITTEE MINUTES

## Appropriations Committee Roughrider Room, State Capitol

HB 1021  
2/10/2025

A BILL for an Act to provide an appropriation for defraying the expenses of workforce safety and insurance.

9:18 a.m. Chairman Vigesaa called the meeting to order.

Members Present: Chairman Vigesaa, Vice Chairman Kempenich, Representatives Berg, Bosch, Brandenburg, Fisher, Hanson, Louser, Martinson, Meier, Monson, Murphy, Nathe, Nelson, O'Brien, Pyle, Richter, Sanford, Stemen, Swiontek, Wagner

Members Absent: Representatives Anderson, Mitskog

### Discussion Topics:

- Workforce Safety
- Government Insurance

9:18 a.m. Representative Hanson introduced the Amendment LC #25.0165.01001, #36609.

9:25 a.m. Representative Hanson moved to adopt Amendment LC #25.0165.01001.

9:25 a.m. Representative Richter seconded the motion.

9:25 a.m. Roll Call Vote.

Representatives	Vote
Representative Don Vigesaa	Y
Representative Keith Kempenich	Y
Representative Bert Anderson	A
Representative Mike Berg	Y
Representative Glenn Bosch	Y
Representative Mike Brandenburg	A
Representative Jay Fisher	Y
Representative Karla Rose Hanson	Y
Representative Scott Louser	Y
Representative Bob Martinson	Y
Representative Lisa Meier	Y
Representative Alisa Mitskog	A
Representative David Monson	Y
Representative Eric J. Murphy	Y
Representative Mike Nathe	Y
Representative Jon O. Nelson	Y
Representative Emily O'Brien	Y
Representative Brandy L. Pyle	Y

Representative David Richter	Y
Representative Mark Sanford	A
Representative Gregory Stemen	Y
Representative Steve Swiontek	Y
Representative Scott Wagner	Y

9:26 a.m. Motion passed 19-0-4.

9:26 a.m. Representative Hanson motioned Do Pass as Amended.

9:26 a.m. Representative Nathe seconded the motion.

9:26 a.m. Roll Call Vote.

<b>Representatives</b>	<b>Vote</b>
Representative Don Vigesaa	Y
Representative Keith Kempenich	Y
Representative Bert Anderson	A
Representative Mike Berg	Y
Representative Glenn Bosch	Y
Representative Mike Brandenburg	A
Representative Jay Fisher	Y
Representative Karla Rose Hanson	Y
Representative Scott Louser	Y
Representative Bob Martinson	Y
Representative Lisa Meier	Y
Representative Alisa Mitskog	A
Representative David Monson	Y
Representative Eric J. Murphy	Y
Representative Mike Nathe	Y
Representative Jon O. Nelson	Y
Representative Emily O'Brien	Y
Representative Brandy L. Pyle	Y
Representative David Richter	Y
Representative Mark Sanford	Y
Representative Gregory Stemen	Y
Representative Steve Swiontek	Y
Representative Scott Wagner	Y

9:28 a.m. Motion passed 20-0-3.

9:28 a.m. Representative Hanson will carry the bill.

9:28 a.m. Chairman Vigesaa closed the meeting.

*Krystal Eberle for Sierra Schartz, Committee Clerk*



February 3, 2025

Sixty-ninth  
Legislative Assembly  
of North Dakota

**PROPOSED AMENDMENTS TO**

**HOUSE BILL NO. 1021**

Introduced by

Appropriations Committee

1 A BILL for an Act to provide an appropriation for defraying the expenses of workforce safety and  
2 insurance.

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

4 **SECTION 1. APPROPRIATION.** The funds provided in this section, or so much of the funds  
5 as may be necessary, are appropriated from special funds derived from the workforce safety  
6 and insurance fund in the state treasury, not otherwise appropriated, to workforce safety and  
7 insurance, for the biennium beginning July 1, 2025, and ending June 30, 2027, as follows:

	Adjustments or		
	Base Level	Enhancements	Appropriation
<del>Workforce safety and insurance</del>	<del>\$65,954,976</del>	<del>\$0</del>	<del>\$65,954,976</del>
<del>operations</del>			
<del>Total special funds</del>	<del>\$65,954,976</del>	<del>\$0</del>	<del>\$65,954,976</del>
<del>Full-time equivalent positions</del>	<del>260.14</del>	<del>0.00</del>	<del>260.14</del>
<u>Workforce safety and insurance</u>	<u>\$65,954,976</u>	<u>\$11,290,155</u>	<u>\$77,245,131</u>
<u>operations</u>			
<u>New and vacant FTE pool</u>	<u>0</u>	<u>3,189,008</u>	<u>3,189,008</u>
<u>Total special funds</u>	<u>\$65,954,976</u>	<u>\$14,479,163</u>	<u>\$80,434,139</u>
<u>Full-time equivalent positions</u>	<u>260.14</u>	<u>0.00</u>	<u>260.14</u>

**SECTION 2. ONE-TIME FUNDING - EFFECT ON BASE BUDGET - REPORT TO**

**SEVENTIETH LEGISLATIVE ASSEMBLY.** The following amounts reflect the one-time funding items included in the appropriation in section 1 of this Act which are not included in the entity's base budget for the 2027-29 biennium and which the entity shall report to the appropriations committees of the seventieth legislative assembly regarding the use of this funding:

<u>One-Time Funding Description</u>	<u>Other Funds</u>
Claims and policy system replacement project	\$5,208,325
MyWSI extranet enhancement project	1,366,050
Building improvements	<u>2,000,000</u>
Total	\$8,574,375

**SECTION 3. NEW AND VACANT FTE POOL - LIMITATION - TRANSFER REQUEST.**

Workforce safety and insurance may not spend funds appropriated in the new and vacant FTE pool line item in section 1 of this Act, but may request the office of management and budget to transfer funds from the new and vacant FTE pool line item to workforce safety and insurance operations line item in accordance with the guidelines and reporting provisions included in House Bill No. 1015, as approved by the sixty-ninth legislative assembly.

**REPORT OF STANDING COMMITTEE  
HB 1021**

**Appropriations Committee (Rep. Vigesaa, Chairman)** recommends **AMENDMENTS** ([25.0165.01001](#)) and when so amended, recommends **DO PASS** (20 YEAS, 0 NAYS, 3 ABSENT AND NOT VOTING). HB 1021 was placed on the Sixth order on the calendar.



25.0165.01001  
 Title.  
 Fiscal No. 1

Prepared by the Legislative Council  
 staff for House Appropriations -  
 Education and Environment Division  
 Committee

February 3, 2025

Sixty-ninth  
 Legislative Assembly  
 of North Dakota

## PROPOSED AMENDMENTS TO

### HOUSE BILL NO. 1021

Introduced by

Appropriations Committee

- 1 A BILL for an Act to provide an appropriation for defraying the expenses of workforce safety and  
 2 insurance.

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

- 4 **SECTION 1. APPROPRIATION.** The funds provided in this section, or so much of the funds  
 5 as may be necessary, are appropriated from special funds derived from the workforce safety  
 6 and insurance fund in the state treasury, not otherwise appropriated, to workforce safety and  
 7 insurance, for the biennium beginning July 1, 2025, and ending June 30, 2027, as follows:

	Adjustments or		
	<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>
10 <del>Workforce safety and insurance</del>	<del>\$65,954,976</del>	<del>\$0</del>	<del>\$65,954,976</del>
11 <del>—operations</del>			
12 <del>Total special funds</del>	<del>\$65,954,976</del>	<del>\$0</del>	<del>\$65,954,976</del>
13 <del>Full-time equivalent positions</del>	<del>260.14</del>	<del>0.00</del>	<del>260.14</del>
14 <u>Workforce safety and insurance</u>	<u>\$65,954,976</u>	<u>\$11,290,155</u>	<u>\$77,245,131</u>
15 <u>operations</u>			
16 <u>New and vacant FTE pool</u>	<u>0</u>	<u>3,189,008</u>	<u>3,189,008</u>
17 <u>Total special funds</u>	<u>\$65,954,976</u>	<u>\$14,479,163</u>	<u>\$80,434,139</u>
18 <u>Full-time equivalent positions</u>	<u>260.14</u>	<u>0.00</u>	<u>260.14</u>



**SECTION 2. ONE-TIME FUNDING - EFFECT ON BASE BUDGET - REPORT TO**

**SEVENTIETH LEGISLATIVE ASSEMBLY.** The following amounts reflect the one-time funding items included in the appropriation in section 1 of this Act which are not included in the entity's base budget for the 2027-29 biennium and which the entity shall report to the appropriations committees of the seventieth legislative assembly regarding the use of this funding:

<u>One-Time Funding Description</u>	<u>Other Funds</u>
Claims and policy system replacement project	\$5,208,325
MyWSI extranet enhancement project	1,366,050
Building improvements	<u>2,000,000</u>
Total	\$8,574,375

**SECTION 3. NEW AND VACANT FTE POOL - LIMITATION - TRANSFER REQUEST.**

Workforce safety and insurance may not spend funds appropriated in the new and vacant FTE pool line item in section 1 of this Act, but may request the office of management and budget to transfer funds from the new and vacant FTE pool line item to workforce safety and insurance operations line item in accordance with the guidelines and reporting provisions included in House Bill No. 1015, as approved by the sixty-ninth legislative assembly.



**STATEMENT OF PURPOSE OF AMENDMENT:****House Bill No. 1021 - Workforce Safety and Insurance - House Action**

	Base Budget	House Changes	House Version
New and vacant FTE pool		\$3,189,008	\$3,189,008
WSI operations	\$65,954,976	11,290,155	77,245,131
Total all funds	\$65,954,976	\$14,479,163	\$80,434,139
Less estimated income	65,954,976	14,479,163	80,434,139
General fund	\$0	\$0	\$0
FTE	260.14	0.00	260.14

**Department 485 - Workforce Safety and Insurance - Detail of House Changes**

	Adds Funding for Salary and Benefit Increases <sup>1</sup>	Adds Funding to Replace 2023-25 Vacant FTE Pool <sup>2</sup>	Transfers Funding for 2025-27 New and Vacant FTE Pool <sup>3</sup>	Adds Funding for Information Technology Rate Increases <sup>4</sup>	Adjusts Funding for Operating Expenses and Temporary Salaries <sup>5</sup>	Adds One-Time Funding for the CAPS Replacement Project <sup>6</sup>
New and vacant FTE pool			\$3,189,008			
WSI operations	\$3,696,555	\$3,701,233	(4,555,725)	\$315,976	(\$442,259)	\$5,208,325
Total all funds	\$3,696,555	\$3,701,233	(\$1,366,717)	\$315,976	(\$442,259)	\$5,208,325
Less estimated income	3,696,555	3,701,233	(1,366,717)	315,976	(442,259)	5,208,325
General fund	\$0	\$0	\$0	\$0	\$0	\$0
FTE	0.00	0.00	0.00	0.00	0.00	0.00

	Adds One-Time Funding for the myWSI Enhancement Project <sup>7</sup>	Adds One-Time Funding for Building Improvement <sup>8</sup>	Total House Changes
New and vacant FTE pool			\$3,189,008
WSI operations	\$1,366,050	\$2,000,000	11,290,155
Total all funds	\$1,366,050	\$2,000,000	\$14,479,163
Less estimated income	1,366,050	2,000,000	14,479,163
General fund	\$0	\$0	\$0
FTE	0.00	0.00	0.00

<sup>1</sup> The following funding is added for 2025-27 biennium salary adjustments of 3 percent on July 1, 2025, and 3 percent on July 1, 2026, and increases in health insurance premiums from \$1,643 to \$1,893 per month:

**Special  
Funds**

Salary increase	\$2,117,947
Health insurance increase	1,578,608
Total	\$3,696,555

<sup>2</sup> Funding of \$3,701,233 from the Workforce Safety and Insurance fund is added to replace 2023-25 biennium vacant FTE pool funding.

<sup>3</sup> Funding of \$4,555,725 is removed for estimated savings from vacant 2025-27 FTE positions and \$3,189,008 is added for a new and vacant FTE pool line item resulting in net savings of \$1,366,717.

<sup>4</sup> Funding of \$315,976 from the Workforce Safety and Insurance fund is added for information technology rate increases.

<sup>5</sup> Funding of \$442,259 is removed from the Workforce Safety and Insurance fund for temporary salaries and operating expenses, including office equipment, travel, and professional development.

<sup>6</sup> One-time funding of \$5,208,325 is added from the Workforce Safety and Insurance fund for the claims and policy system replacement project. The agency has spent \$21,200,000 on the project since July 2015 and anticipates \$16,300,000 is needed to complete the project by 2031 at a total cost of \$37,500,000.

<sup>7</sup> One-time funding of \$1,366,050 is added from the Workforce Safety and Insurance fund for the myWSI enhancement project. The agency has spent \$5,700,000 on the project since November 2016 and anticipates \$2,100,000 is needed to complete the project by 2027 at a total cost of \$7,800,000.

<sup>8</sup> One-time funding of \$2 million is added from the Workforce Safety and Insurance fund for building improvements, including a roof replacement, carpet installation, bathroom upgrades, and exterior repairs.

---

### House Bill No. 1021 - Other Changes - House Action

A section is also added regarding the use of funding in the new and vacant FTE pool line item.

**2025 SENATE APPROPRIATIONS**

**HB 1021**



# 2025 SENATE STANDING COMMITTEE MINUTES

## Appropriations - Education and Environment Division Sakakawea Room, State Capitol

HB 1021  
3/6/2025

A BILL for an Act to provide an appropriation for defraying the expenses of workforce safety and insurance.

9:30 a.m. Chairman Sorvaag called the meeting to order.

Members Present: Chairman Ronald Sorvaag, Senator Cole Conley, Senator Scott Meyer, Senator Donald Schaible, Senator Paul J. Thomas.

### Discussion Topics:

- Records Retention Schedule.
- Net Earned Premiums.
- Claims and Policy System One-Time Funding.
- Facility Improvements.

9:31 a.m. Art Thompson, Director, Workforce Safety and Insurance, testified in favor and submitted #38947.

9:56 a.m. Russ Hanson, Executive VP, Associated General Contractors of ND, testified in favor.

9:58 a.m. Arik Spencer, President and CEO, Greater ND Chamber, testified in favor.

### Additional written testimony:

Brady Larson, Fiscal Analyst, Legislative Council, submitted testimony #39200 and #39202 in neutral.

9:59 a.m. Chairman Sorvaag closed the meeting.

*Steven Hall, Committee Clerk*

**2025 Engrossed House Bill No. 1021  
Testimony before the Senate Appropriations Committee  
Education & Environment Division**

**Presented by:  
Art Thompson, WSI Director  
Workforce Safety & Insurance  
March 6, 2025**

Mr. Chairman and Members of the Committee:

Good morning. My name is Art Thompson, Director of Workforce Safety & Insurance (WSI). I am here today to provide testimony on Engrossed House Bill 1021, WSI's Appropriation bill. On behalf of WSI, I would like to thank the Chairman and the Committee for providing the agency the opportunity to testify today.

My testimony today will be brief. We have provided you with PowerPoint slides. I will reference various slides that will assist in providing you an overall picture of WSI.

**Background**

WSI is a special fund agency funded solely by employer premiums, which provide for the payment of medical and wage loss benefits as well as administrative expenses. WSI receives no General Fund dollars **(slide 2)**.

**WSI's Core Purpose** is **"To care for injured workers"**. That is why WSI exists **(slide 3)**.

To accomplish this, WSI has a well-established strategic plan. The strategic plan has guided our focus and has resulted in a high performing organization that is valued by our stakeholders and recognized by industry leaders **(slide 4)**.

WSI provides coverage to over 27,000 North Dakota businesses with an estimated covered workforce of 412,000. WSI receives approximately 17,500 claims per year **(slide 5-10)**.

Throughout history, the North Dakota Legislature has also worked closely with WSI to develop policy to help ensure this purpose is fulfilled.

Collectively, this has resulted in a high performing workers compensation system. Success measures include a variety of performance indicators that we track on a routine basis (**slides 11 - 15**):

- Safety Focus
  - WSI has 13 Safety Consultants located regionally in ND to assist employers with safety assessment and safety program and grant implementation.
  - We have seen a 27% injury rate reduction in the last decade.
  - In fiscal year 2024, WSI issued \$24 million in safety premium discounts to employers for successful participation in Safety Programs.
  - WSI has issued \$76M in safety grants since 2005.
- Financially Strong
  - State law outlines WSI's required surplus levels which are 20% to 40% of reserve liabilities.
  - If WSI's surplus exceeds statutory surplus requirements; the statute requires dividends to be issued to policyholders.
  - WSI issued \$1.8 billion in employer dividends in the past 20 years.
  - For the current year, a 50% dividend credit was declared, which equates to an estimated \$83 million dividend.
  - Historically, favorable returns from WSI's investment portfolio have resulted in additional surplus growth.
- Enhanced Technology
  - The goal of CAPS and myWSI is to improve customer service, enhance system maintainability and create a self-service portal for our external customers and stakeholders.
  - We are committed to improving our technology and response to customer needs through two long-term system upgrades that will be discussed in more detail in our budget recommendation discussion.
- Few Disputes & Low Litigation
  - North Dakota is known to be one of the least litigious workers' compensation systems in the country.
  - Only half of 1% of decisions issued proceed to an administrative court hearing.

- Utilize Decision Review Office to provide initial analysis and review of disputed claims.
- Strong Statutory Benefits
  - North Dakota provides a favorable benefit package for injured employees as compared to other jurisdictions.
  - WSI administers a constitutionally created fund for the benefit of injured employees. Funds are not available for any other purpose.
  - North Dakota's maximum weekly benefit rate is the 3<sup>rd</sup> highest when compared to the 15 Midwest states (see **slides A4 – A9** for additional benefit information).
- Low Premiums
  - Premiums were reduced for the 9th consecutive year with an average 0.6% reduction for the current policy year.
  - North Dakota continuously ranks as the lowest premium state in the nation (2022 Oregon Premium Study) this is approximately 54% lower than the median rate.
- Good Payor
  - Fair payment for medical and hospital services ensures injured employees access to quality healthcare.
  - WSI fee schedules range from 163% to 250% of what Medicare would pay.
- Customer Satisfaction
  - WSI's customer satisfaction consistently ranks high on 1 to 5-point scale: Employer – 4.41; Injured Worker – 4.24; Medical Provider – 3.94
  - WSI's employee Gallup score was 4.4

## WSI 2025-2027 Appropriation Request

### **2025-2027 Engrossed HB 1021 (House version)**

<b>Budget Overview</b>	<b>2025-2027 Budget</b>
WSI Operating Appropriation	\$ 73,226,481
2025-27 Vacant FTE Pool	(1,366,717)
<b>Total Operating Appropriation</b>	<b>\$ 71,859,764</b>
<b><u>One Time Funding Description</u></b>	
Claims and Policy System (CAPS)	5,208,325
myWSI	1,366,050
Building Updates	2,000,000
<b>Total One Time Funding</b>	<b>\$ 8,574,375</b>
WSI Biennial Appropriation	\$ 80,434,139
FTE Authority	260

The House version of Engrossed HB 1021 is effectively the same as the Governor's recommendation with the exception of the removal of funds for the vacant FTE funding pool (slides 16 - 19):

- \$1.3 million removed for the 25-27 vacant FTE pool.
- 3% and 3% salary and benefits package.
- \$5.2 million in one-time funding for the continuation of the development of the claims and policy system (CAPS); and
- \$1.4 million in one-time funding for the continuation of the myWSI extranet enhancement project.
- \$2.0 million in one-time funding for building improvements.
- No change in FTE authority. WSI is funded solely by employer premiums and receives no general fund dollars. The legislature has granted WSI the same FTE authority since the 2015-17 biennium. WSI views the FTE authority as a number, as we base overall staffing levels on workloads, which can fluctuate. To illustrate, during the peak of the oil boom, we were at capacity for FTE authority and hired up to 32 temporary employees to

make sure WSI customers were served. Unused funds associated with WSI vacant FTEs remain in the WSI fund.

WSI is financially stable, provides excellent service, and is overall functioning very well. In closing, thank you for your time today and your consideration of WSI's biennial appropriation. At this time, I would be glad to answer any questions that you may have.

Additionally, and for your benefit, included within the appendix of the PowerPoint is the following:

A1 – WSI Organization Chart

A2 – 2024 Financial Audit

A3 – Vacant FTE Funding Pool

A4 – A7 State by State Average Weekly Wage & Benefit Comparison

A8 – A9 State by State Premium Comparisons

A10 – A14 Historical Workers' Compensation Benefit & Service Enhancement Legislation

A15 – IT Projects Timeline & Funding



North Dakota Workforce  
Safety & Insurance

---

# **Senate Appropriations Committee Education & Environment Division**

---

**Art Thompson | Director**  
**March 6, 2025**

# Who We Are



## About Us

WSI is an exclusive, employer-financed, no-fault insurance state fund covering workplace injuries and deaths (NDCC Title 65). **WSI is a special fund agency and receives no general fund dollars.**

## Our Vision

As the sole provider and administrator of workers' compensation in North Dakota, WSI's vision is a safe, secure, and healthy North Dakota workforce.



# WSI Philosophy >>

## CORE PURPOSE

To care for injured workers

## BUSINESS

Providing Workers' Compensation and Safety Services

## VISION

Is a Safe, Secure and Healthy North Dakota Workforce

## CORE VALUES

Loyal, Caring and Forthright

## STRATEGIC ANCHORS

Exceptional People, Exceptional Service and  
Financial Stability

# WSI's Business

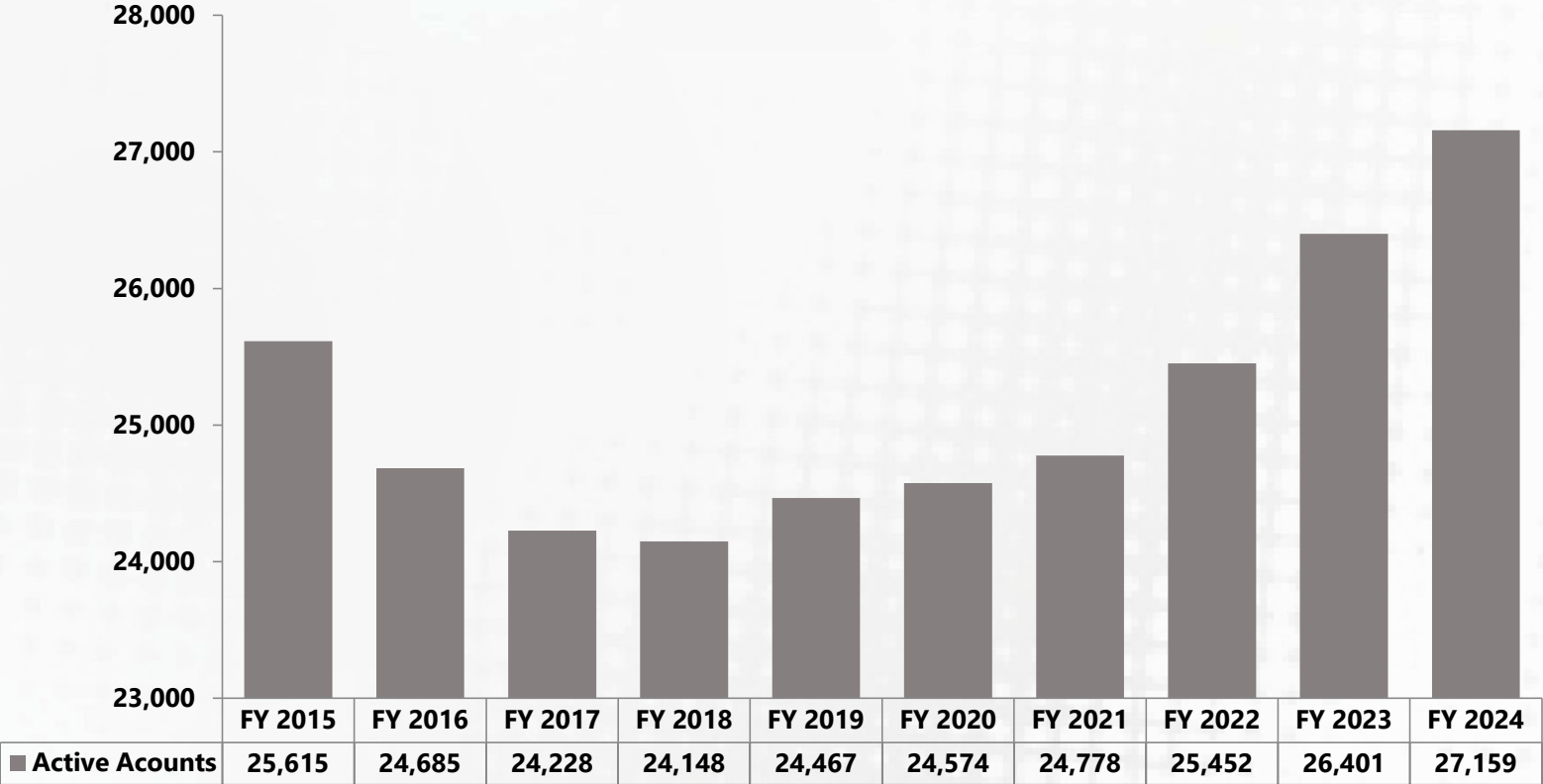
WSI's strategic plan has guided our focus and has resulted in a high performing organization that is valued by our stakeholders and recognized by industry leaders. **Our business is about relationships and partnerships.**

# Who We Serve

<b>Population:</b>	<b>796,568</b>
<b>Covered Workforce:</b>	<b>412,536</b>
<b>Employer Accounts:</b>	<b>27,159</b>
<b>Claims Filed :</b>	<b>17,042</b>
<b>WSI Staff:</b>	<b>260 FTE</b>
<b>Earned Premiums:</b>	<b>\$181 M</b>
<b>WSI Assets:</b>	<b>\$2.2 B</b>



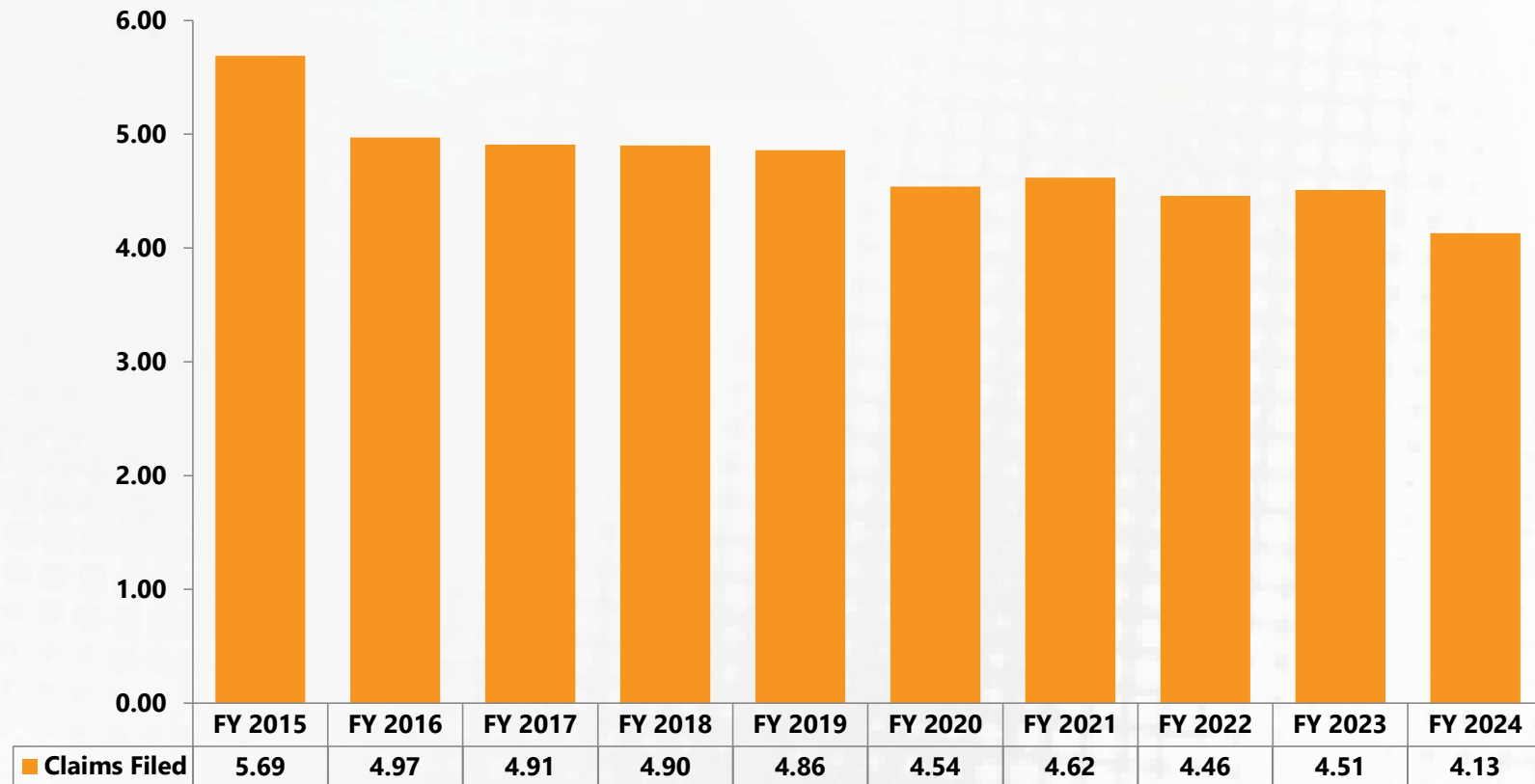
# Active Employer Accounts



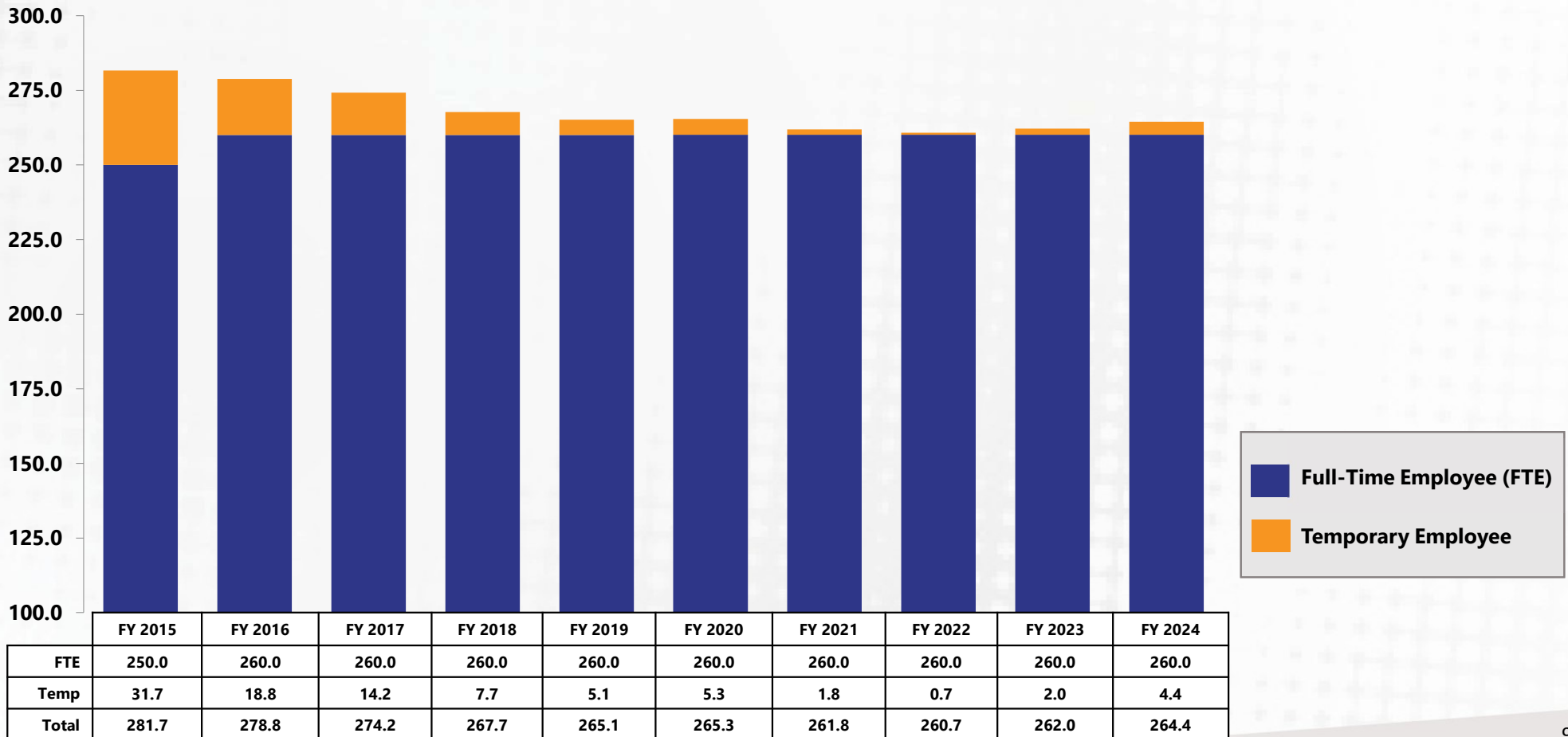
# Claims Filed by Fiscal Year



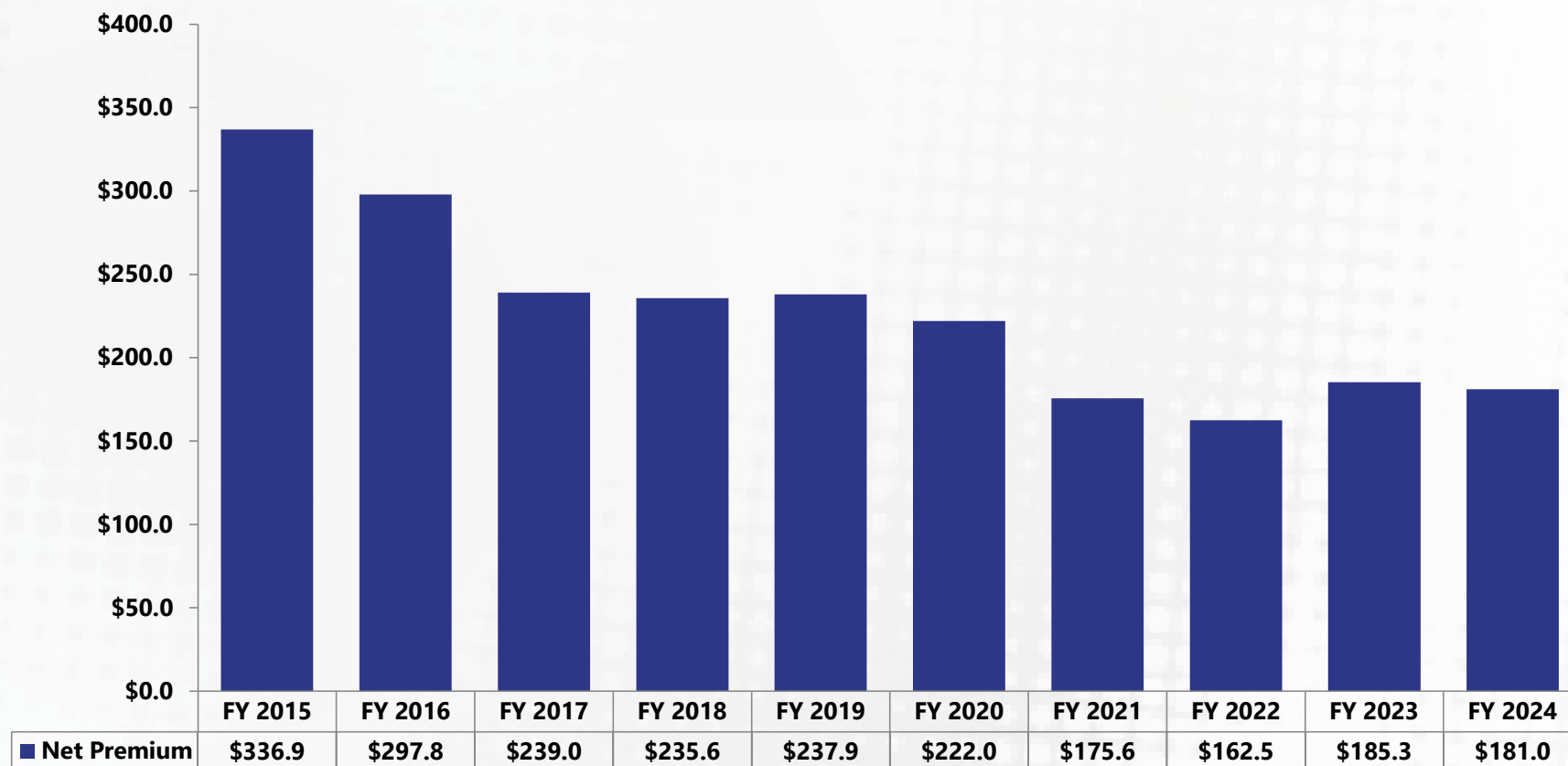
# Claims Filed Per 100 Covered Workers



# Employee Count by Fiscal Year



# Net Earned Premiums (\$ Millions)





# How WSI Measures Success

## Safety Focus

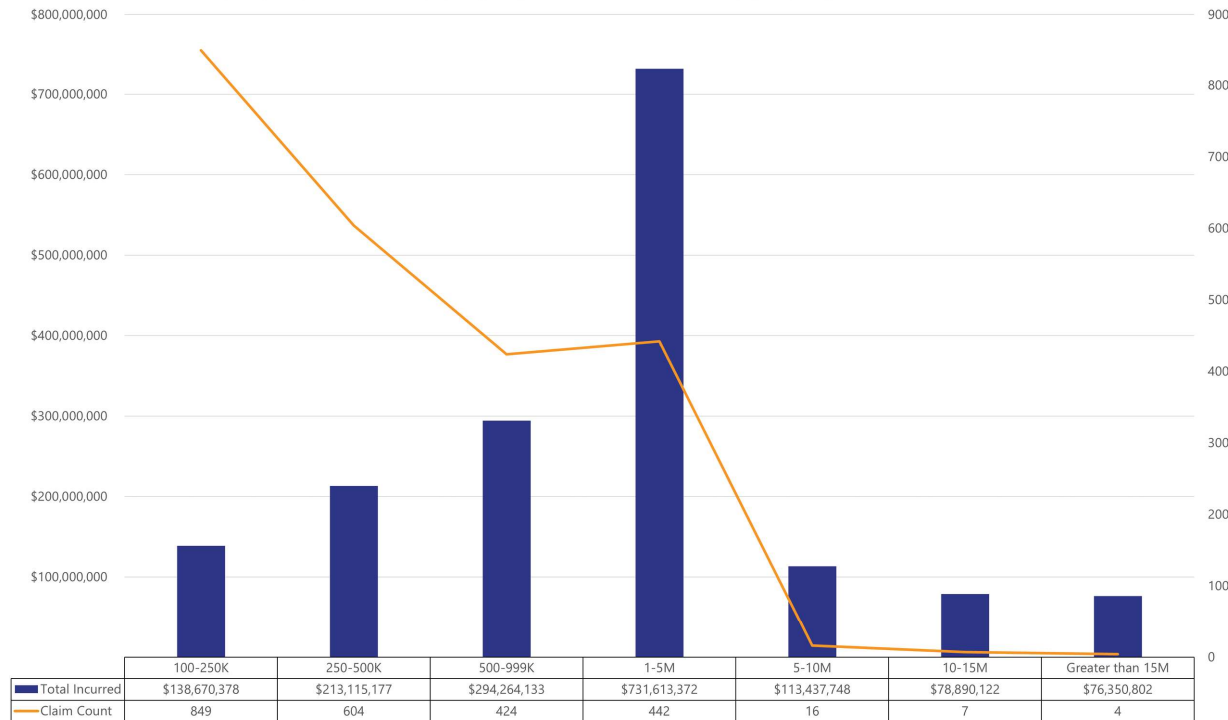
Injury rates have been reduced by 27% over the last decade. In fiscal year 2024, WSI issued \$23.9 million in safety premium discounts to employers for successful participation in Safety Programs.

## Financially Strong

The WSI fund exceeds statutory surplus requirements. WSI issued \$1.8 billion in employer dividends in the past 19 out of 20 years.

# Open Claims Greater Than \$100,000

	Total Reserves	Total Paid	Total Incurred (Paid & Reserves)	Claim Count
100-250K	29,197,014	109,473,364	138,670,378	849
250-500K	46,224,932	166,890,245	213,115,177	604
500-999K	66,713,366	227,550,767	294,264,133	424
1-5M	334,808,093	396,805,279	731,613,372	442
5-10M	59,988,009	53,449,740	113,437,748	16
10-15M	52,376,543	26,513,579	78,890,122	7
Greater than 15M	51,110,413	25,240,389	76,350,802	4
<b>Total</b>	<b>\$640,418,370</b>	<b>\$1,005,923,361</b>	<b>\$1,646,341,732</b>	



As of 11/30/2024

\* Undeveloped - reported losses excluding IBNR

# How WSI Measures Success

## Enhanced Technology

The goal of CAPS and myWSI is to improve customer service, enhance system maintainability for our internal and external customers.

## Few Disputes & Low Litigation

North Dakota is known to be one of the least litigious workers' compensation systems in the country. Only half of 1% of decisions issued proceed to an administrative court hearing.

# How WSI Measures Success

## Strong Statutory Benefits

North Dakota provides a favorable benefit package for injured employees as compared to other jurisdictions.

## Low Premiums

Premiums were reduced for the 9th consecutive year with an average 0.6% reduction for the current policy year. North Dakota continuously ranks as the lowest premium state in the nation (2022 Oregon Premium Study).

# How WSI Measures Success

## Good Payor

Fair payment for medical and hospital services ensures injured employees access to quality healthcare. WSI fee schedules range from 163% to 250% of what Medicare would pay.

## Customer Satisfaction

WSI's customer satisfaction consistently ranks high on 1 to 5-point scale: Employer – 4.41; Injured Employee – 4.24; Medical Provider – 3.94.

# WSI 2025-2027 Biennial Appropriation Request

		2025-2027 House Version
	WSI Operating Appropriation	\$73,226,481
	2025-27 Vacant FTE Pool	(\$1,366,717)
1	WSI Base Level Appropriation	\$71,859,764
	<b><u>One-Time Funding Description</u></b>	
	Claims and Policy System (CAPS)	\$5,208,325
	myWSI	\$1,366,050
	Facility Improvements	\$2,000,000
2	Total One-Time Funding	\$8,574,375
	WSI Biennial Appropriation (1 + 2)	\$80,434,375
	FTE Authority	260
	<b>Unspent funds remain in the WSI fund.</b>	

# One-Time Funding

## Continued Development of Claims and Policy System (CAPS)

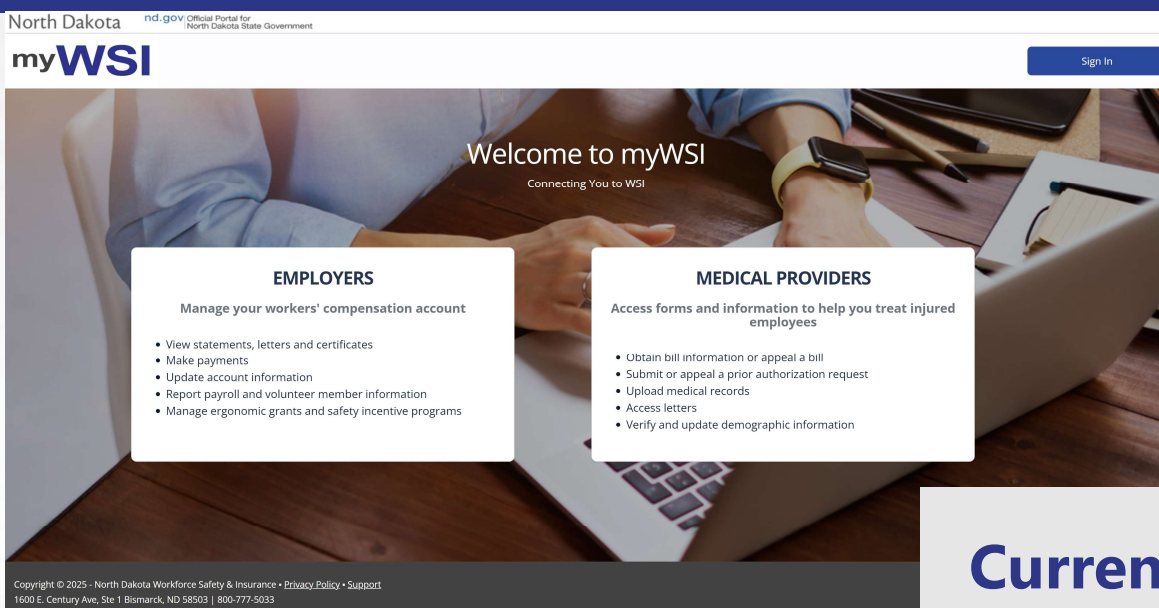


The goal of CAPS is to replace WSI's core business system software with web-based technology to improve customer service, enhance system maintainability and provide enhanced reporting and accessibility to information.

<b>Current Biennium</b>	<b>\$4,950,000</b>
<b>Next Biennium</b>	<b>\$5,208,325</b>

# One-Time Funding

## Continued Development of myWSI



The goal of myWSI is to create a secure, self-service portal for external customers and stakeholders to view, update, submit and retrieve information relating to interactions with WSI.

<b>Current Biennium</b>	<b>\$1,830,000</b>
<b>Next Biennium</b>	<b>\$1,366,050</b>



# One-Time Funding

## Facility Improvements



Initiatives include a roof replacement, carpet installation, bathroom counters and sink upgrades, and exterior block and mortar repairs to ensure long-term protection and efficiency.

**Next Biennium**

**\$2,000,000**

# WSI Summary

- WSI is financially stable, with proven programs to reduce workplace injuries and to treat and return injured employees to the job.
- North Dakota provides a favorable benefit structure for injured employees
- WSI is a good steward of premium dollars.
- WSI is strong partner with the medical community.
- WSI has few disputes and high customer satisfaction.

# Questions?

## Legislators' Guide to WSI

Learn more about WSI and our services that support our vision of creating a safe, secure, and healthy North Dakota workforce.

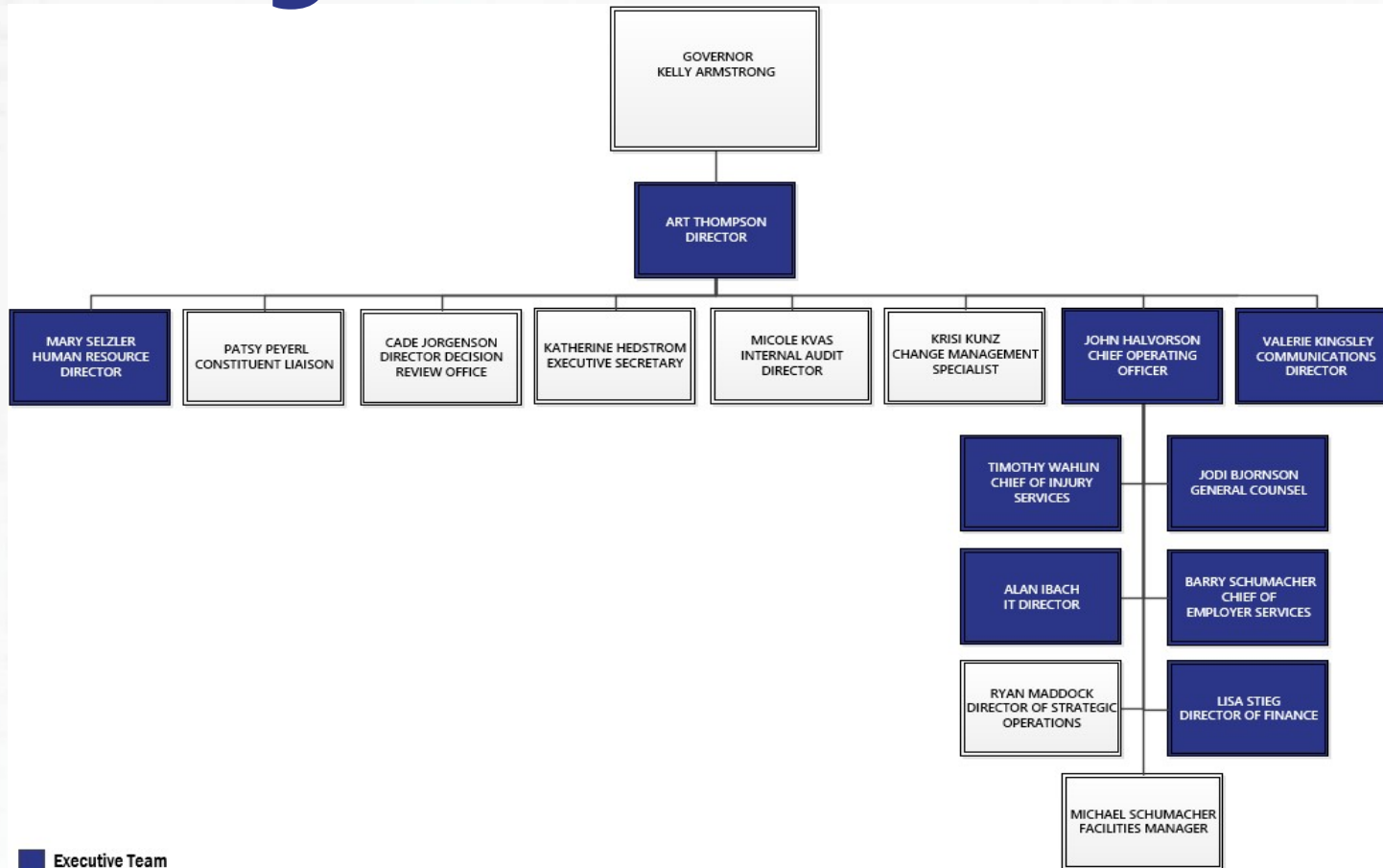


Visit [workforcesafety.com/NDLegislature](https://workforcesafety.com/NDLegislature)

# Appendix

<b>A1</b>	<b>WSI Organization Chart</b>
<b>A2</b>	<b>2024 Financial Audit</b>
<b>A3</b>	<b>Vacant FTE Funding Pool</b>
<b>A4 – A7</b>	<b>State by State Average Weekly Wage &amp; Benefit Comparison</b>
<b>A8 – A9</b>	<b>State by State Premium Comparisons</b>
<b>A10 – A14</b>	<b>Historical Workers' Compensation Benefit &amp; Service Enhancement Legislation</b>
<b>A15</b>	<b>IT Projects Timeline &amp; Funding</b>

# WSI Organizational Chart



 Executive Team

# Financial Audit

The FY2024 Financial Audit conducted by Eide Bailly noted no material weaknesses, no significant compliance findings, and no prior year findings to update.

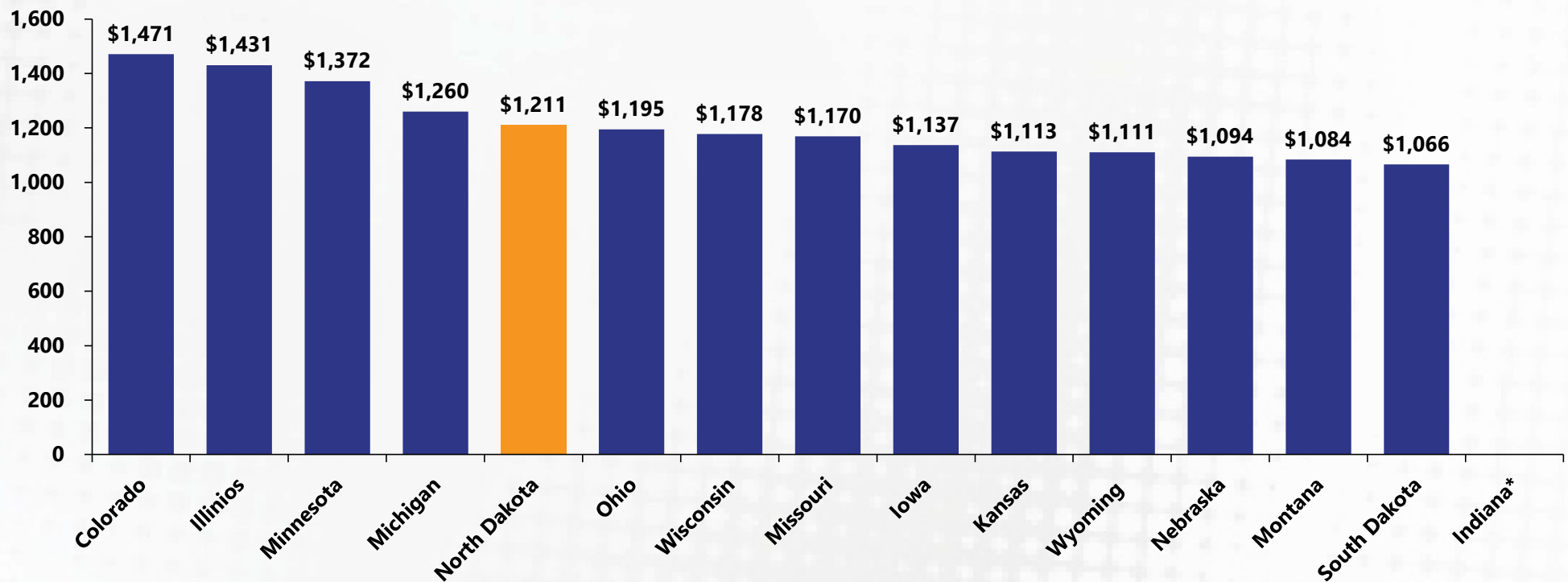
# Vacant FTE Funding Pool

Amount removed from WSI appropriation:	\$3,701,233
70% of total available to request:	\$2,590,863
Total funds requested:	\$2,398,056
Remaining FTE Pool Amount:	\$192,807



## Benefit Comparison (2024)

### State's Average Weekly Wage by State

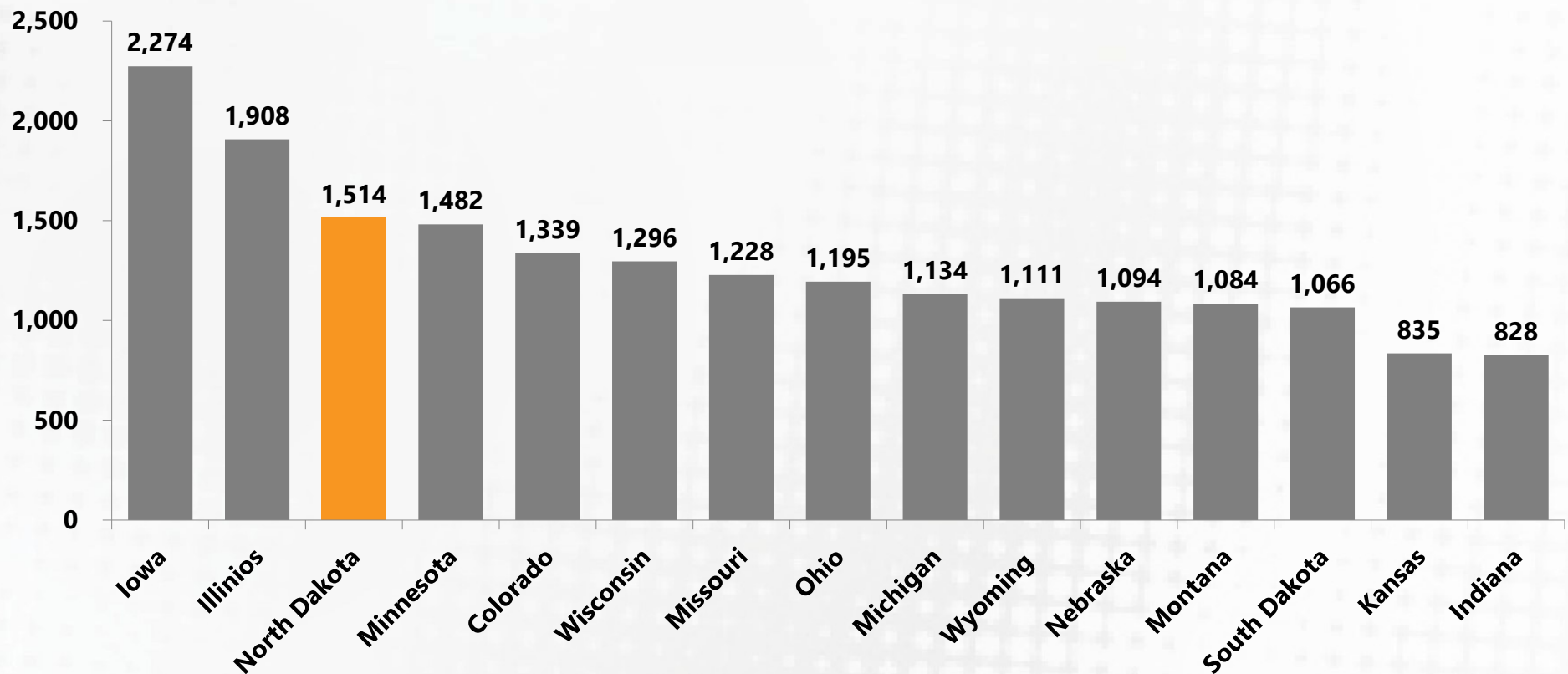


\* **No data available for Indiana.** Wyoming - 2/3 of monthly gross wage can not exceed 100% of the statewide average monthly wage calculated quarterly – Data shown is from 3<sup>rd</sup> quarter 2024.



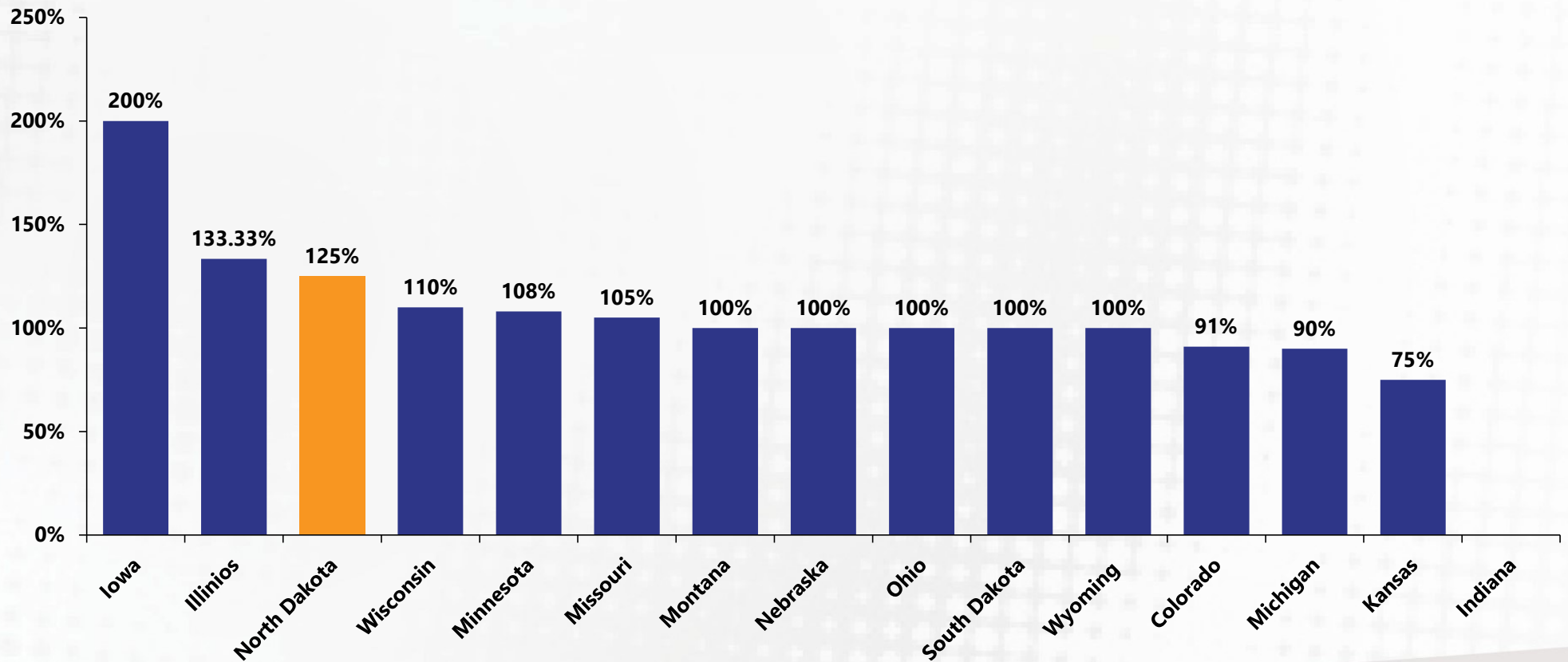
## Benefit Comparison (2024)

### Maximum Weekly Benefit Amount by State



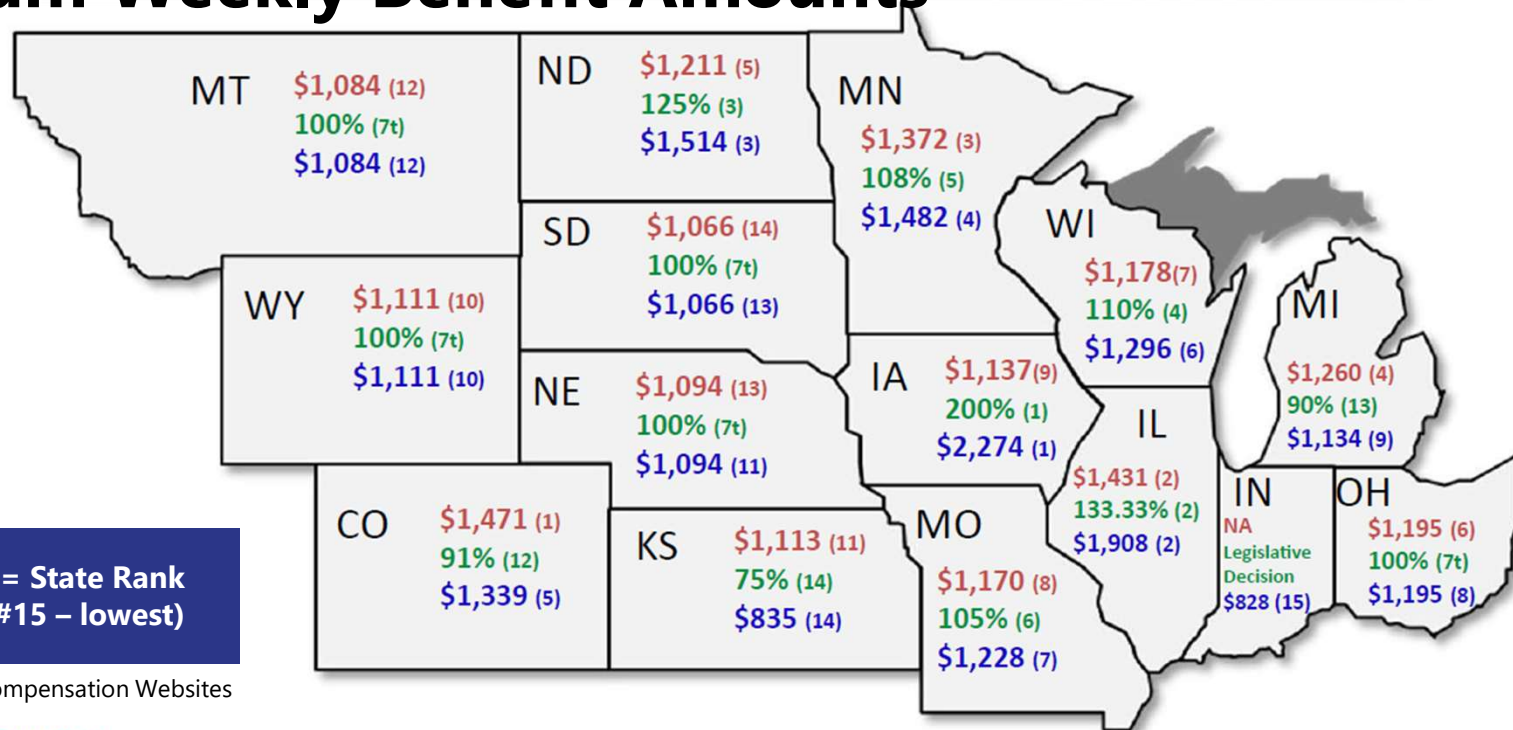
## Benefit Comparison (2024)

### Maximum Weekly Benefit Rate by State



## Midwest States (2024)

### State's Average Weekly Wage, Maximum Benefit Rates and Maximum Weekly Benefit Amounts



\* Parenthesis = State Rank  
(#1 – highest to #15 – lowest)

Source: State Workers' Compensation Websites

SAWW (WY uses State's Avg Monthly Wage—calculated quarterly—3rd Qtr 2024 shown)

Max. Weekly Benefit Rate

Max. Weekly Benefit Amount

# Premium Index Comparison

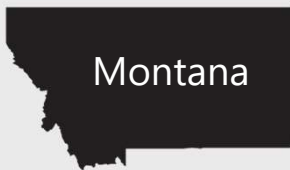
**Per 2022 Oregon Study** - Neighbor state's rates compared to North Dakota (before any dividends)



**2.2 X**  
Higher



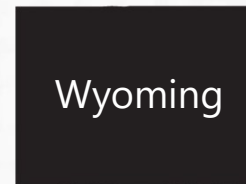
**2.7 X**  
Higher



**2.5 X**  
Higher

Source: Oregon Study

**Monopolistic States:** State's rates compared to North Dakota (before any dividends)



**3.2 X**  
Higher

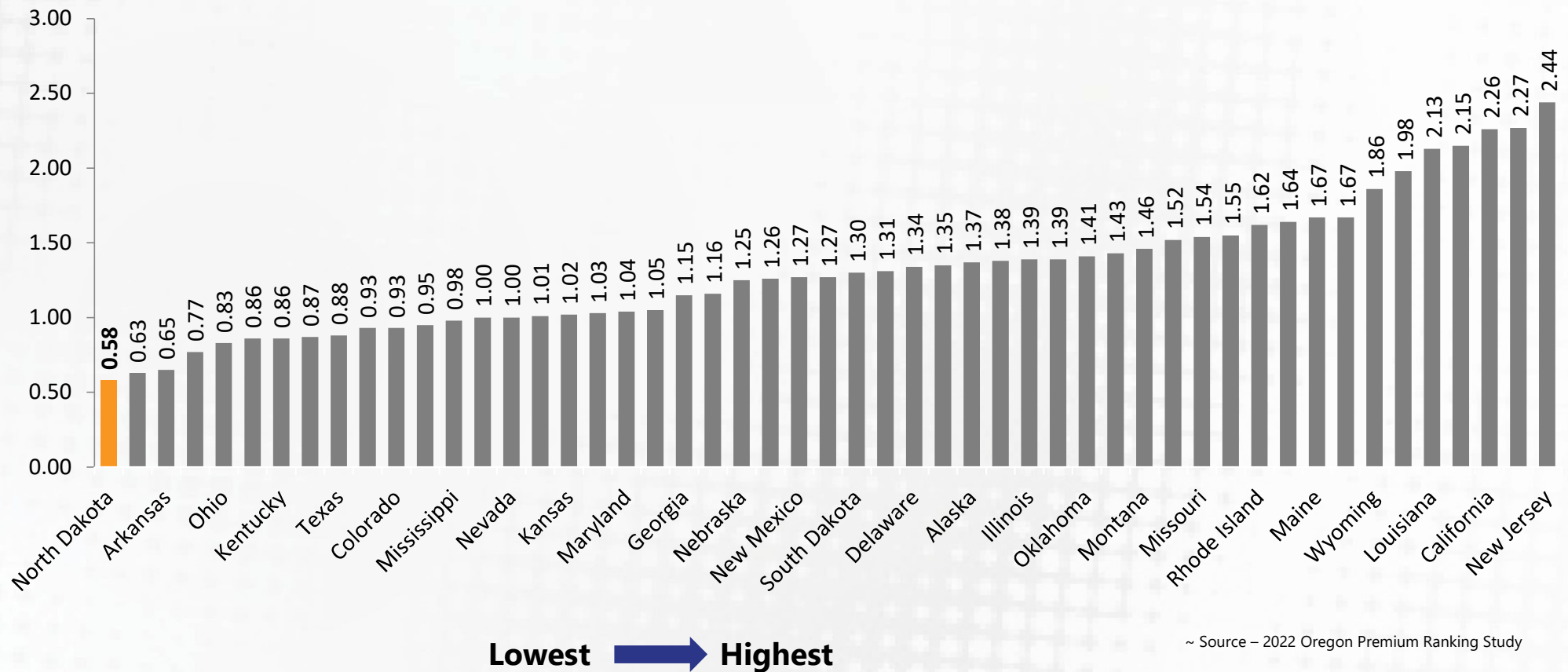


**2.3 X**  
Higher



**1.4 X**  
Higher

# Premium Index Rate by State



~ Source – 2022 Oregon Premium Ranking Study

# Historical Workers' Compensation Benefit & Service Enhancement Legislation

## 2023 Legislation

- Expands coverage for preventive treatment for exposures to bloodborne pathogens to all covered occupational classifications (HB 1052)
- Extends presumption coverage to full-time paid law enforcement and paid firefighter personnel with less than 5 years of continuous service for cardiac related events that result from strenuous activity and occur within 48 hours of participating in that activity (HB 1279)

## 2021 Legislation

- Extends injured worker appeal timeframes from 30 to 45 days after a notice of decision or administrative order has been issued (HB 1040)
- Provides WSI a communication mode with relevant parties in the event of a deceased or incapacitated injured worker absent a signed release (HB 1084)

## 2019 Legislation

- Establishes case processing, tracking, and reporting requirements for Office of Administrative Hearings (HB 1064)
- Allows WSI to establish alternative dispute resolution pilot programs (HB 1073)
- Provides up to three years of disability benefits for injured workers that had disability benefits discontinued pre-retirement and a reapplication for benefits post-retirement (HB 1188)

## 2017 Legislation

- Provides for payments of an injured worker's attorney fees and costs at the level in which they prevailed regardless of whether the organization ultimately prevails (SB 2048)
- Establishes a civil penalty in the amount of \$5,000 for an employer who willfully makes a false statement attempting to preclude an injured worker from securing benefits (SB 2094)



# Historical Workers' Compensation Benefit & Service Enhancement Legislation (cont.)

## 2015 Legislation

- Expanded eligibility for the scholarship fund to include children up through age twenty-six (HB 1102)
- Expanded the eligibility of children that can utilize the educational revolving loan fund (HB 1102)

## 2013 Legislation

- Provided for a study of the preferred provider program (HB 1051)
- Strengthened notification requirements for employers participating in the preferred provider program (HB 1052)
- Increased benefits for National Guard members who are injured while serving on state active duty (HB 1080)
- Expanded definition of law enforcement officer to include peace officers with the North Dakota Parks Department (SB 2134)
- Increased vehicle and vehicle adaptation allowance from \$100,000 to \$150,000 (SB 2178)

## 2011 Legislation

- Established a vocational rehabilitation grant program (HB 1050)
- Provided up to two years of benefits for workers injured within two years of their presumed retirement date (HB 1051)
- Reduced the threshold for percentage of whole-body impairment to qualify for a PPI award (HB 1055)
- Increased permanent partial impairment awards (multipliers) for the lower impairment levels (HB 1055)
- Expanded eligibility for the scholarship program (SB 2114)
- Increased the annual cap that the organization can award in scholarships from \$300,000 to \$500,000 (SB 2114)
- Increased the maximum scholarship amount payable per applicant from \$4,000 per year to \$10,000 per year (SB 2114)
- Streamlined the personal reimbursement process for injured workers (SB 2114)
- Expanded eligibility for the educational revolving loan fund (SB 2114)



# Historical Workers' Compensation Benefit & Service Enhancement Legislation (cont.)

## 2009 Legislation

- Provided for payment of eyeglasses and other devices if an injury occurs and damages those prescriptive devices (HB 1061)
- Provided for an extension of an additional 20 weeks to the current 104-week limit for retraining programs (HB 1062)
- Increased the eligibility pool for job search benefits (HB 1062)
- Established pilot program to assess new methods of providing rehabilitation services (HB 1062)
- Established parameters of liability for medical expenses paid for treatment of unknown pre-existing conditions (HB 1063)
- Shortened eligibility period for cost of living adjustments (COLAs) for pre-1/1/06 total disability claims from 7 to 3 years (HB 1064)
- Expanded COLA eligibility for pre-1/1/06 claims to include temporary total benefit recipients (HB 1064)
- Outlined coverage parameters for emergency volunteer healthcare practitioners (HB 1073)
- Increased the maximum disability benefit from 110% to 125% of the state's average weekly wage (SAWW) (HB 1101)
- Increased lifetime cap on death benefits from \$250,000 to \$300,000 (HB 1101)
- Increased burial expense from \$6,500 to \$10,000 and one-time payments for spouses and dependent children (HB 1101)
- Increased the dependency allowance from \$10 to \$15 per week per child (HB 1101)
- Increased pre-acceptance disability benefits from the minimum benefit rate to the standard rate (HB 1101)
- Increased travel and other personal reimbursements on aggravation claims to 100% (HB 1101)
- Provided up to six months benefits for the surviving spouse of a PTD that provided home health care during disability (HB 1455)
- Provided that OAH conduct WSI hearings and that OAH's decisions are final (HB 1464)
- Provided for a study of the post-retirement benefit structure to be conducted during the interim (HB 1525)
- Provided that WSI outline reasons for disregarding a treating doctor's opinion (HB 1561)
- Resolution to study workers' compensation laws regarding pre-existing injuries (HCR 3008)
- Resolution to study injured worker access to legal representation (HCR 3013)
- Established a clear and convincing evidence standard to rebut the presumption clause (SB 2055)

# Historical Workers' Compensation Benefit & Service Enhancement Legislation (cont.)

## 2009 Legislation – Continued

- Provided door to door reimbursement of mileage to attend medical appointments (SB 2056)
- Established a PPI schedule award for the partial loss of eye sight (SB 2057)
- Distinguished an independent medical exam (IME) from an independent medical record review (IMR) (SB 2058)
- Provided for attorney fees and costs for review of a claim after OIR completion (SB 2059)
- Provided for a rehab training expense for maintaining a second household or traveling more than 25 miles to school (SB 2419)
- Provided WSI make a reasonable effort to designate an IME doctor within a certain radius of worker's residence (SB 2431)
- Shortened the time period in which an injured worker can request a change of doctor (SB 2432)
- Provided that WSI notify injured workers of work search obligations (SB 2433)

## 2007 Legislation

- Provided funds for purchase or adaptation of motor vehicles for catastrophically injured (HB 1038)
- Provided increased post-retirement additional benefits for certain injured workers (HB 1038)
- Expanded the population that is eligible for death benefits (HB 1038)
- Shortened eligibility period for cost of living adjustments (COLAs) from seven years to three years (HB 1038)
- Expanded the eligibility pool for WSI's revolving loan fund (HB 1038)
- Provided inflation adjustment for long-term Temporary Partial Disability benefit recipients (HB 1140)
- Provided funds for the purchase or adaptation of motor vehicles for catastrophic and exceptional circumstance claims (HB 1411)
- Provided benefits for firefighters and law enforcement officers in the event of a false positive test (SB 2042)

# Historical Workers' Compensation Benefit & Service Enhancement Legislation (cont.)

## 2005 Legislation

- Established additional safety incentives (HB 1125)
- Established ongoing funding for safety education, grant, and incentive programs (HB 1125)
- Created retraining options for injured workers (HB 1171)
- Established an injured worker educational revolving loan fund (HB 1491)
- Increased the non-dependency death award (HB 1506)
- Increased post-retirement additional benefit payments (SB 2351)

## 2003 Legislation

- Increased lifetime cap on death benefits from \$197,000 to \$250,000 (HB 1060)
- Established a \$50,000 home remodeling and vehicle adaptation allowance for catastrophic injured workers (HB 1060)
- Increased the maximum amounts for scholarship awards (HB 1120)

## 2001 Legislation

- Increased certain permanent partial impairment awards (HB 1161)

## 1999 Legislation

- Increased permanent partial impairment awards for the severely impaired (HB 1422)
- Increased the maximum disability benefit from 100% to 110% of the State's Average Weekly Wage (SB 2214)
- Shortened the waiting period for eligibility for cost-of-living adjustments from 10 years to 7 years (SB 2214)

## 1997 Legislation

- Increased weekly death benefits for surviving spouses (SB 2116)
- Created the Guardian Scholarship program (SB 2116)
- Established a post-retirement additional benefit (SB 2125)

# IT Projects Timeline & Funding

	CAPS	myWSI
Program Start Date	2015	2016
Current Estimated End Date *	2031	2027
Actual Cost:	\$ 20.3M	\$ 5.4M
Release In Progress:	\$ 2.5M	\$ 1M
Total Estimated Expenditures Remaining:	\$ 14.7M	\$ 1.4M
Estimate of Total Program Cost at Completion **	\$ 37.5M	\$ 7.8M

\* This estimated end date is dependent upon the detailed planning and baselines of the individual projects

\*\* Figures as of December 2024



**Workforce Safety and Insurance - Budget No. 485**  
**Agency Worksheet - House Bill No. 1021**

	Armstrong Executive Budget				House Version				House Compared to Executive Budget			
	FTE Positions	General Fund	Other Funds	Total	FTE Positions	General Fund	Other Funds	Total	Increase (Decrease)			
									FTE Positions	General Fund	Other Funds	Total
2025-27 Biennium Base Level	260.14	\$0	\$65,954,976	\$65,954,976	260.14	\$0	\$65,954,976	\$65,954,976	0.00	\$0	\$0	\$0
2025-27 Ongoing Funding Changes												
Salary increase			\$2,117,947	\$2,117,947			\$2,117,947	\$2,117,947				\$0
Health insurance increase			1,578,608	1,578,608			1,578,608	1,578,608				0
Adds funding to replace the 2023-25 vacant FTE pool			3,701,233	3,701,233			3,701,233	3,701,233				0
Removes funding for the 2025-27 vacant FTE pool			0	0			(1,366,717)	(1,366,717)			(\$1,366,717)	(1,366,717)
Adds funding for information technology rate increases			315,976	315,976			315,976	315,976				0
Adjusts funding for operating expenses			(442,259)	(442,259)			(442,259)	(442,259)				0
Total ongoing funding changes	0.00	\$0	\$7,271,505	\$7,271,505	0.00	\$0	\$5,904,788	\$5,904,788	0.00	\$0	(\$1,366,717)	(\$1,366,717)
One-Time Funding Items												
Adds funding for the claims and policy system replacement project			\$5,208,325	\$5,208,325			\$5,208,325	\$5,208,325				\$0
Adds funding for the myWSI enhancement project			1,366,050	1,366,050			1,366,050	1,366,050				0
Adds funding for building improvements			2,000,000	2,000,000			2,000,000	2,000,000				0
Total one-time funding changes	0.00	\$0	\$8,574,375	\$8,574,375	0.00	\$0	\$8,574,375	\$8,574,375	0.00	\$0	\$0	\$0
Total Changes to Base Level Funding	0.00	\$0	\$15,845,880	\$15,845,880	0.00	\$0	\$14,479,163	\$14,479,163	0.00	\$0	(\$1,366,717)	(\$1,366,717)
2025-27 Total Funding	260.14	\$0	\$81,800,856	\$81,800,856	260.14	\$0	\$80,434,139	\$80,434,139	0.00	\$0	(\$1,366,717)	(\$1,366,717)
Federal funds included in other funds			\$0				\$0				\$0	
Total ongoing changes - Percentage of base level	0.0%	N/A	11.0%	11.0%	0.0%	N/A	9.0%	9.0%	N/A	N/A	N/A	N/A
Total changes - Percentage of base level	0.0%	N/A	24.0%	24.0%	0.0%	N/A	22.0%	22.0%	N/A	N/A	N/A	N/A

**Other Sections in Workforce Safety and Insurance - Budget No. 485**

Section Description	Armstrong Executive Budget	House Version
New and vacant FTE pool line item		Section 3 provides for the use of funding in the new and vacant FTE pool line item.





# North Dakota Legislative Council

Prepared for the Senate Appropriations Committee  
March 6, 2025

## **MAJOR RELATED LEGISLATION AFFECTING WORKFORCE SAFETY AND INSURANCE AS OF CROSSOVER**

This memorandum provides information on major related legislation affecting Workforce Safety and Insurance as of Crossover:

**House Bill No. 1423** - This bill increases the lifetime maximums for organizations to modify real estate or motor vehicles after an employee is catastrophically injured from \$75,000 to \$150,000 for remodeling expenses and from \$150,000 to \$200,000 for vehicles and vehicle adaptation expenses.

**Senate Bill No. 2046** - This bill provides a one-time premium credit of up to \$250 for new employer accounts where at least 50 percent ownership is held by an active member of the national guard or armed forces, veteran, or surviving spouse.

**Senate Bill No. 2109** - This bill increases the lifetime maximum death benefit from \$300,000 to \$400,000 and provides for the maximum to increase by \$10,000 each biennium.

# 2025 SENATE STANDING COMMITTEE MINUTES

## Appropriations - Education and Environment Division Sakakawea Room, State Capitol

HB 1021  
3/12/2025

A BILL for an Act to provide an appropriation for defraying the expenses of workforce safety and insurance.

2:12 p.m. Chairman Sorvaag called the meeting to order.

Members Present: Chairman Ronald Sorvaag, Senator Cole Conley, Senator Scott Meyer, Senator Donald Schaible, Senator Paul J. Thomas.

### Discussion Topics:

- Vacant FTE Pool

2:13 p.m. Chairman Sorvaag referenced previous Long Sheet #39200 03/06/25.

2:14 p.m. Senator Conley moved a Do Pass.

2:14 p.m. Senator Thomas seconded the motion.

Senators	Vote
Senator Ronald Sorvaag	Y
Senator Cole Conley	Y
Senator Scott Meyer	Y
Senator Donald Schaible	Y
Senator Paul J. Thomas	Y

Motion Passed: 5-0-0.

Senator Conley will carry the bill.

2:15 p.m. Chairman Sorvaag adjourned the meeting.

*Steven Hall, Committee Clerk*



# 2025 SENATE STANDING COMMITTEE MINUTES

## Appropriations Committee Harvest Room, State Capitol

HB 1021  
3/20/2025

A BILL for an Act to provide an appropriation for defraying the expenses of workforce safety and insurance.

2:54 p.m. Vice-Chairman Erbele opened the hearing.

Members Present: Vice-Chairman Erbele, and Senators Burckhard, Cleary, Conley, Davison, Dever, Dwyer, Magrum, Mathern, Meyer, Schaible, Sickler, Sorvaag, Thomas, Wanzek.

Members Absent: Chairman Bekkedahl.

### Discussion Topics:

- Building Ownership
- Reserve Fund Amount

2:54 p.m. Senator Conley introduced the bill.

2:55 p.m. Senator Conley moved a Do Pass.

2:55 p.m. Senator Sorvaag seconded the motion.

Senators	Vote
Senator Brad Bekkedahl	A
Senator Robert Erbele	Y
Senator Randy A. Burckhard	Y
Senator Sean Cleary	Y
Senator Cole Conley	Y
Senator Kyle Davison	Y
Senator Dick Dever	Y
Senator Michael Dwyer	Y
Senator Jeffery J. Magrum	Y
Senator Tim Mathern	Y
Senator Scott Meyer	Y
Senator Donald Schaible	Y
Senator Jonathan Sickler	Y
Senator Ronald Sorvaag	Y
Senator Paul J. Thomas	Y
Senator Terry M. Wanzek	Y

Motion Passed 15-0-1.

Senator Conley will carry the bill.

Senate Appropriations Committee

HB 2021

03/20/2025

Page 2

2:58 p.m. Vice-Chairman Erbele closed the hearing.

*Elizabeth Reiten, Committee Clerk*

**REPORT OF STANDING COMMITTEE  
ENGROSSED HB 1021 ([25.0165.02000](#))**

**Appropriations Committee (Sen. Bekkedahl, Chairman)** recommends **DO PASS** (15 YEAS, 0 NAYS, 1 ABSENT OR EXCUSED AND NOT VOTING). HB 1021 was placed on the Fourteenth order on the calendar. This bill does not affect workforce development.