2025 SENATE INDUSTRY AND BUSINESS

SB 2046

2025 SENATE STANDING COMMITTEE MINUTES

Industry and Business Committee

Fort Union Room, State Capitol

SB 2046 1/15/2025

A bill relating to eligibility for a one-time premium credit for North Dakota national guard, armed forces, and veterans and decisions issued by electronic means.

3:00 p.m. Chairman Barta called the meeting to order.

Members present: Chairman Barta, Vice-Chairman Boehm, Senator Klein, Senator Kessel, Senator Enget

Discussion Topics:

- Military and veteran citizens of ND
- Premium charge for worker's compensation coverage
- Future technology changes
- Appealable decisions
- Electronic delivery/issue
- Default delivery
- Timeframe clarity
- Surviving spouse
- Single use of credit
- Time limit
- Limitations on marital status
- 3:01 p.m. Anne Green, Workforce Safety and Insurance (WSI), testified in favor and submitted testimony #29203.
- 3:07 p.m. Lonnie Wangen, Commissioner of ND Department of Veterans Affairs, testified in favor and submitted testimony #28762.
- 3:15 p.m. Andrea Pfennig, Greater Noth Dakota Chamber, testified neutrally on SB 2046.
- 3:15 p.m. Chairman Barta closed the hearing on SB 2046.
- 3:15 p.m. Senator Klein moved to adopt the amendment LC# 25.8013.01000.
- 3:16 p.m. Vice-Chairman Boehm seconded the motion.

Senators	Vote
Senator Jeff Barta	Υ
Senator Keith Boehm	Υ
Senator Mark Enget	Υ
Senator Greg Kessel	Υ
Senator Jerry Klein	Υ

Motion passed 5-0-0.

3:18 p.m. Senator Klein motioned for a Do Pass as Amended on SB 2046.

3:18 p.m. Senator Kessel seconded the motion.

Senators	Vote
Senator Jeff Barta	Y
Senator Keith Boehm	Y
Senator Mark Enget	Y
Senator Greg Kessel	Y
Senator Jerry Klein	Y

Motion passed 5-0-0.

Senator Klein will carry the bill.

3:26 p.m. Chairman Barta closed the meeting.

Audrey Oswald, Committee Clerk

25.8013.01001 Title.02000 Adopted by the Industry and Business Committee

January 15, 2025

Sixty-ninth Legislative Assembly of North Dakota

PROPOSED AMENDMENTS TO

JA5 1-15-25

Introduced by

SENATE BILL NO. 2046

Industry and Business Committee

(At the request of Workforce Safety and Insurance)

- 1 A BILL for an Act to create and enact a new section to chapter 65-04 of the North Dakota
- 2 Century Code, relating to eligibility for a one-time premium credit for North Dakota national
- 3 guard, armed forces, and veterans, and a surviving spouse of a veteran; to amend and reenact
- 4 section 65-04-32 of the North Dakota Century Code, relating to decisions issued by electronic
- 5 means; and to provide for application.

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

7 **SECTION 1.** A new section to chapter 65-04 of the North Dakota Century Code is created 8 and enacted as follows:

9 Premium credit.

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- 1. An active member of the North Dakota national guard or the armed forces as defined under section 37-01-01-or, a veteran as defined under section 37-01-40, or a surviving spouse of a veteran, is eligible for a one-time premium credit of up to two hundred fifty dollars. The premium credit is available to a new account with the organization having active member-or, veteran, or surviving spouse ownership of fifty percent or more.
 - 2. The organization may implement rules for the administration of this section.
- SECTION 2. AMENDMENT. Section 65-04-32 of the North Dakota Century Code is amended and reenacted as follows:
- 18 65-04-32. Decisions by organization Disputed decisions.
- Notwithstanding any provisions to the contrary in chapter 28-32, the following procedures apply when the organization issues a decision under this chapter or section 65-04-04.4:

Sixty-ninth Legislative Assembly

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- The organization may issue a notice of decision based on an informal internal review
 of the record and shall serveissue the notice of the decision on the parties by regular
 mail or electronic means. The organization shall include with the decision a notice of
 the employer's right to reconsideration.
- 2. An employer has forty-five days from the day the notice of decision was mailedissued by the organization by regular mail or electronic means to file a written request for reconsideration. The request for reconsideration is considered filed only upon receipt by the organization. The employer is not required to file the request through an attorney. The request must state the reason for disagreement with the organization's decision and the desired outcome. The request may be accompanied by additional evidence not previously submitted to the organization. The organization shall reconsider the matter by informal internal review of the information of record. Absent a timely and sufficient request for reconsideration, the notice of decision is final and may not be reheard or appealed.
- 3. After receiving a petition for reconsideration, unless settlement negotiations are ongoing, the organization shall serve enissue to the parties by regular mail or electronic means, an administrative order including its findings of fact, conclusions of law, and order, in response to the petition for reconsideration. The organization may serve an administrative order on any decision made by informal internal review without first issuing a notice of decision and receiving a request for reconsideration. If the organization does not issue an order within sixty days of receiving a request for reconsideration, a party may request, and the organization shall promptly issue, an appealable determination.
- 4. A party has forty-five days from the date of <u>serviceissuance</u> of an administrative order to file a written request for rehearing. The request must state specifically each alleged error of fact and law to be reheard and the relief sought. Absent a timely and sufficient request for rehearing, the administrative order is final and may not be reheard or appealed.
- Rehearings must be conducted as hearings under chapter 28-32 to the extent that chapter does not conflict with this section.

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1	6.	An employer may appeal a posthearing administrative order to district court in
2		accordance with chapter 65-10. Chapter 65-10 does not preclude the organization
3		from appealing to district court a final order issued by a hearing officer under this title.
4	SEC	TION 3. APPLICATION. Section 1 applies to new account applications received on or
5	after July	y 1, 2025.

Module ID: s_stcomrep_05_014 Carrier: Klein Insert LC: 25.8013.01001 Title: 02000

REPORT OF STANDING COMMITTEE SB 2046

Industry and Business Committee (Sen. Barta, Chairman) recommends AMENDMENTS (25.8013.01001) and when so amended, recommends DO PASS (5 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). SB 2046 was placed on the Sixth order on the calendar. This bill does not affect workforce development.

North Dakota Department of Veterans Affairs Lonnie Wangen-Commissioner 1/15/2025

Senate Industry and Business-Committee 69th Legislative Session Senator Jeff Barta-Chair

Chairman Barta and Senate Industry and Business Committee,

Please accept this testimony in support of SB 2046.

Intent of this bill:

SB 2046

To provide a one-time Workforce Safety Insurance credit of \$250 for new Veteran, National Guard, or Armed Forces member Owned organization / employer.

Need for bill:

- Incentive for entrepreneurship.
- Support for those who serve in our uniformed services.
- Attract and retain skilled services in ND.
- Promote ND as most military and veteran friendly state.

Outcome of bill:

One-time WSI credit for newly formed veteran/uniformed services owned business in ND.

Amendment requested: add eligibility for a "surviving spouse".

Thank you for your consideration.

Lonnie Wangen Commissioner-NDDVA

Sixty-ninth Legislative Assembly of North Dakota

PROPOSED AMENDMENTS TO SENATE BILL NO. 2046

Introduced by

Industry and Business Committee

(At the request of Workforce Safety and Insurance)

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 1. under section 37-01-01, or a veteran as defined under section 37-01-40, or a surviving

 1. spouse of a veteran, is eligible for a one-time premium credit of up to two hundred fifty

 1. dollars. The premium credit is available to a new account with the organization having

 1. active member, or veteran, or surviving spouse ownership of fifty percent or more.
- 15 2. The organization may implement rules for the administration of this section.
- SECTION 2. AMENDMENT. Section 65-04-32 of the North Dakota Century Code is amended and reenacted as follows:
- 18 **65-04-32. Decisions by organization Disputed decisions.**
 - Notwithstanding any provisions to the contrary in chapter 28-32, the following procedures apply when the organization issues a decision under this chapter or section 65-04-04.4:
 - The organization may issue a notice of decision based on an informal internal review
 of the record and shall serveissue the notice of the decision on the parties by regular
 mail or electronic means. The organization shall include with the decision a notice of
 the employer's right to reconsideration.

- An employer has forty-five days from the day the notice of decision was mailed issued by the organization by regular mail or electronic means to file a written request for reconsideration. The request for reconsideration is considered filed only upon receipt by the organization. The employer is not required to file the request through an attorney. The request must state the reason for disagreement with the organization's decision and the desired outcome. The request may be accompanied by additional evidence not previously submitted to the organization. The organization shall reconsider the matter by informal internal review of the information of record. Absent a timely and sufficient request for reconsideration, the notice of decision is final and may not be reheard or appealed.
 - 3. After receiving a petition for reconsideration, unless settlement negotiations are ongoing, the organization shall serve on issue to the parties by regular mail or electronic means, an administrative order including its findings of fact, conclusions of law, and order, in response to the petition for reconsideration. The organization may serve an administrative order on any decision made by informal internal review without first issuing a notice of decision and receiving a request for reconsideration. If the organization does not issue an order within sixty days of receiving a request for reconsideration, a party may request, and the organization shall promptly issue, an appealable determination.
 - 4. A party has forty-five days from the date of service issuance of an administrative order to file a written request for rehearing. The request must state specifically each alleged error of fact and law to be reheard and the relief sought. Absent a timely and sufficient request for rehearing, the administrative order is final and may not be reheard or appealed.
 - 5. Rehearings must be conducted as hearings under chapter 28-32 to the extent that chapter does not conflict with this section.
 - 6. An employer may appeal a posthearing administrative order to district court in accordance with chapter 65-10. Chapter 65-10 does not preclude the organization from appealing to district court a final order issued by a hearing officer under this title.

SECTION 3. APPLICATION. Section 1 applies to new account applications received on or after July 1, 2025.

2025 Senate Bill No. 2046 Testimony before the Senate Industry and Business Committee Presented by Anne Jorgenson Green, Workforce Safety and Insurance January 15, 2025

Mr. Chairman and Members of the Committee: My name is Anne Green with Workforce Safety & Insurance (WSI). I am here today to provide testimony regarding Senate Bill No. 2046. The WSI Board supports this bill.

SECTION 1:

In 2024, WSI participated in an executive branch military friendliness working group to identify ways to support military and veteran citizens in North Dakota. What resulted is this proposed new section to Title 65 which provides support to a new, military member or veteran-owned business. Under this proposal, any active member of the North Dakota national guard or a veteran defined under North Dakota law is eligible for a workers' compensation premium credit of up to \$250.

WSI chose a credit in the amount of \$250 because this is the minimum premium charge for workers' compensation coverage in North Dakota and is the typical premium paid by a substantial number of small business owners. Practically, this proposal gives a veteran or military member with at least fifty percent ownership in a new business, a \$250 break on their workers' compensation premium during the first year of that business' operation.

SECTION 2:

This proposed amendment is responsive to future technology changes at WSI. WSI is in the process of updating its major business technology applications. This is a large, multi-year initiative with multiple releases. One of the goals of updating WSI's technology is to streamline information processes to and from external stakeholders and partners. While we are not there yet, we anticipate this functionality before the 2027 legislative session. As a result, we want to address the statute at this time.

Under current law, WSI is required to send appealable decisions by regular mail. The proposed change will provide WSI with the authority to electronically issue decisions in the dispute resolution process for employers when the technology updates allow us to do so. The definition of "electronic means" and similar changes to the injured employee dispute resolution statute are proposed in 2025 SB 2109, WSI's injury services bill.

WSI believes electronic delivery will improve accuracy and timeliness. A recipient will have the option to receive electronic notifications and WSI will electronically track and confirm receipt of the notification. We look forward to this upgrade in our technology.

This concludes my testimony. I am happy to answer any questions you may have.

2025 HOUSE INDUSTRY, BUSINESS AND LABOR SB 2046

2025 HOUSE STANDING COMMITTEE MINUTES

Industry, Business and Labor Committee

Room JW327C, State Capitol

SB 2046 3/5/2025

A BILL for an Act to create and enact a new section to chapter 65-04 of the North Dakota Century Code, relating to eligibility for a one-time premium credit for North Dakota national guard, armed forces, veterans, and a surviving spouse of a veteran; to amend and reenact section 65-04-32 of the North Dakota Century Code, relating to decisions issued by electronic means; and to provide for application.

11:37 a.m. Chairman Warrey opened the meeting.

Members Present: Chairman Warrey, Vice Chairman Ostlie, Vice Chairman Johnson, Representatives Finley-DeVille, Grindberg, Kasper, Koppelman, D. Ruby, Schatz, Schauer, Vollmer

Members Absent: Representatives Bahl, Brown

Discussion Topics:

- · Military friendliness working group
- Premium credit
- 1st year of business operation
- On-time surviving recipients' spouse
- Streamline processes
- Electronic notifications
- Receipts of notification
- Baseline premium

11:38 a.m. Anne Green, Director of Legal Services, Workforce Safety and Insurance, testified and submitted testimony #38743.

11:44 a.m. Representative Schauer moved Do Pass.

11:44 a.m. Representative Johnson seconded the motion.

Representatives	Vote
Representative Jonathan Warrey	Υ
Representative Mitch Ostlie	Υ
Representative Jorin Johnson	Υ
Representative Landon Bahl	AB
Representative Collette Brown	AB
Representative Lisa Finley-DeVille	Υ
Representative Karen Grindberg	Υ
Representative Jim Kasper	Υ
Representative Ben Koppelman	Υ
Representative Dan Ruby	Υ

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Representative Mike Schatz	Υ
Representative Austin Schauer	Υ
Representative Daniel R. Vollmer	Υ

Motion passed 11-0-2.

11:46 a.m. Representative Schatz will carry the bill.

11:46 a.m. Chairman Warrey closed the meeting.

Diane Lillis, Committee Clerk

REPORT OF STANDING COMMITTEE ENGROSSED SB 2046 (25.8013.02000)

Module ID: h_stcomrep_35_005

Carrier: Schatz

Industry, Business and Labor Committee (Rep. Warrey, Chairman) recommends DO PASS (11 YEAS, 0 NAYS, 2 ABSENT OR EXCUSED AND NOT VOTING). SB 2046 was placed on the Fourteenth order on the calendar.

2025 Engrossed Senate Bill No. 2046 Testimony before the House Industry, Business & Labor Committee Presented by Anne Jorgenson Green, Workforce Safety and Insurance March 5, 2025

Mr. Chairman and Members of the Committee: My name is Anne Green with Workforce Safety & Insurance (WSI). I am here today to provide testimony regarding Engrossed Senate Bill No. 2046. The WSI Board supports this bill.

SECTION 1:

In 2024, WSI participated in an executive branch military friendliness working group to identify ways to support military and veteran citizens in North Dakota. What resulted is this proposed new section to Title 65 which provides support to a new, military member or veteran-owned business. Under this proposal, any active member of the North Dakota national guard or a veteran defined under North Dakota law is eligible for a workers' compensation premium credit of up to \$250.

WSI chose a credit in the amount of \$250 because this is the minimum premium charge for workers' compensation coverage in North Dakota and is the typical premium paid by a substantial number of small business owners. Practically, this proposal gives a veteran or military member with at least fifty percent ownership in a new business, a \$250 break on their workers' compensation premium during the first year of that business' operation.

The Engrossed Bill includes a surviving spouse of a veteran as a recipient of this premium credit.

SECTION 2:

This proposed amendment is responsive to future technology changes at WSI. WSI is in the process of updating its major business technology applications. This is a large, multi-year initiative with multiple releases. One of the goals of updating WSI's technology is to streamline information processes to and from external stakeholders and partners. While we are not there yet, we anticipate this functionality before the 2027 legislative session. As a result, we want to address the statute at this time.

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