

MICROFILM DIVIDER

OMB/RECORDS MANAGEMENT DIVISION

SFN 2053 (2/85) 5M



ROLL NUMBER

DESCRIPTION

1153

2001 HOUSE INDUSTRY, BUSINESS AND LABOR

HB 1153

2001 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. HB 1153

House Industry, Business and Labor Committee

Conference Committee

Hearing Date 01-24-01

Tape Number	Side A	Side B	Meter #
1	x		49.6 - end
1		x	0 - 45.8
Committee Clerk Signature <i>Krista Warner</i>			

Minutes: **HB 1153**

Chairman Berg opened the hearing.

Brent Edison, Vice President of Legal and Special Investigations for ND Workers Comp., testified in favor of the bill. See written testimony.

Each section of testimony was discussed by the committee.

Michael Wolf, Manager of the County Employer Group for the NDACo., testified in favor of the bill. See written testimony.

Chuck Peterson, member of the GNDA, testified in favor of the bill. See written testimony.

Vern Hordist, of Pace, a local of IR Bobcat, spoke in opposition to the language in the bill.

Steve Chmielewski, of Pace, spoke in opposition to the bill.

Chairman Berg closed the hearing.

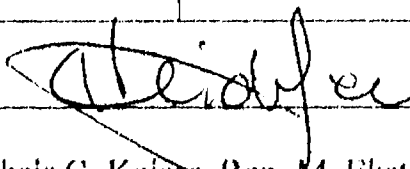
2001 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. HB 1153(B)

House Industry, Business and Labor Committee

Conference Committee

Hearing Date Feb. 12, 2001

Tape Number	Side A	Side B	Meter #
2	X		2.91-21.5
Committee Clerk Signature 			

Minutes: Chairman R. Berg, Vice-Chair G. Keiser, Rep. M. Ekstrom, Rep. R. Froelich, Rep. G. Froseth, Rep. R. Jensen, Rep. N. Johnson, Rep. J. Kasper, Rep. M. Klein, Rep. Koppang, Rep. D. Lemieux, Rep. B. Pietsch, Rep. D. Ruby, Rep. D. Severson, Rep. E. Thorpe.

Rep Johnson: This bill addresses the definition of fee schedules, mandatory sick leave, Worker's Comp confidentiality, and the preferred worker program. The next employer would have a 3 year waiver if a new employee has had a workers comp claim.

Rep M. Klein: I move a do pass.

Rep Lemieux: I second.

12 yea, 2 nay, 1 absent

Carrier Rep N. Johnson

FISCAL NOTE

Requested by Legislative Council
12/26/2000

Bill/Resolution No.: HB 1153

Amendment to:

1A. **State fiscal effect:** *Identify the state fiscal effect and the fiscal effect on agency appropriations compared to funding levels and appropriations anticipated under current law.*

	1999-2001 Biennium		2001-2003 Biennium		2003-2005 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues						
Expenditures						
Appropriations						

1B. **County, city, and school district fiscal effect:** *Identify the fiscal effect on the appropriate political subdivision.*

1999-2001 Biennium			2001-2003 Biennium			2003-2005 Biennium		
Counties	Cities	School Districts	Counties	Cities	School Districts	Counties	Cities	School Districts

2. **Narrative:** *Identify the aspects of the measure which cause fiscal impact and include any comments relevant to your analysis.*

NORTH DAKOTA WORKERS COMPENSATION 2001 LEGISLATION SUMMARY OF ACTUARIAL INFORMATION

BILL DESCRIPTION: Use of leave, Claim File Confidentiality, Preferred Worker Program, and Fee Schedule

BILL NO: HB 1153

SUMMARY OF ACTUARIAL INFORMATION : North Dakota Workers Compensation, together with its actuary, Glenn Evans of Pacific Actuarial Consultants, has reviewed the legislation proposed in this bill in conformance with Section 54-03-25 of the North Dakota Century Code.

The proposed legislation prohibits an employer from requiring an employee to use accrued personal leave for time off from work for a work-related disability; makes a claimant's social security number non-releasable from a claim file and makes it a Class B misdemeanor for an employer to use medical information contained in the employer's injured worker's claim file for any purpose other than to administer the workers' compensation claim; provides incentives for employers to hire injured workers in positions that will

accommodate the workers' restrictions resulting from a work injury; and amends the definition of "fee schedule".

FISCAL IMPACT: The introduction of the Preferred Worker Program could increase administrative costs and decrease premium income from current levels. We did not attempt to derive an estimate of the likely impact of this proposed change because we do not have access to an appropriate base of historical experience to use in deriving the estimates. However, based on NDWC's past successes with other incentive programs, we anticipate that future loss cost savings could partially offset the additional costs generated by this new program.

We do not believe that the other changes that would be introduced as part of this bill would result in a material change to required rate and reserve levels.

DATE: December 27, 2000

3. **State fiscal effect detail:** For information shown under state fiscal effect in 1A, please:

A. **Revenues:** Explain the revenue amounts. Provide detail, when appropriate, for each revenue type and fund affected and any amounts included in the executive budget.

B. **Expenditures:** Explain the expenditure amounts. Provide detail, when appropriate, for each agency, line item, and fund affected and the number of FTE positions affected.

C. **Appropriations:** Explain the appropriation amounts. Provide detail, when appropriate, of the effect on the biennial appropriation for each agency and fund affected and any amounts included in the executive budget. Indicate the relationship between the amounts shown for expenditures and appropriations.

Name:	Paul R. Kramer	Agency:	ND Workers Compensation
Phone Number:	328-3856	Date Prepared:	12/27/2000

Date: 2-12-01
Roll Call Vote #: 1

2001 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. ~~CR 01-01-01~~ ~~HR 153~~ ^{HB 153}

House Industry, Business and Labor Committee

Subcommittee on _____

or

Conference Committee

Legislative Council Amendment Number _____

Action Taken Do Pass

Motion Made By M. Klein Seconded By Lemieux

Representatives	Yes	No	Representatives	Yes	No
Chairman- Rick Berg	✓		Rep. Jim Kasper	✓	
Vice-Chairman George Keiser		✓	Rep. Matthew M. Klein	✓	
Rep. Mary Ekstorm	✓		Rep. Myron Koppang	✓	
Rep. Rod Froelich	✓		Rep. Doug Lemieux	✓	
Rep. Glen Froseth	✓		Rep. Bill Pietsch	✓	
Rep. Roxanne Jensen	✓		Rep. Dan Ruby		✓
Rep. Nancy Johnson	✓		Rep. Dale C. Severson		
			Rep. Elwood Thorpe	✓	

Total (Yes) 12 No 2

Absent 1

Floor Assignment Rep Johnson

If the vote is on an amendment, briefly indicate intent:

REPORT OF STANDING COMMITTEE (410)
February 12, 2001 4:21 p.m.

Module No: HR-25-3129
Carrier: N. Johnson
Insert LC: . Title: .

REPORT OF STANDING COMMITTEE

HB 1153: Industry, Business and Labor Committee (Rep. Berg, Chairman) recommends DO PASS (12 YEAS, 2 NAYS, 1 ABSENT AND NOT VOTING). HB 1153 was placed on the Eleventh order on the calendar.

2001 SENATE INDUSTRY, BUSINESS AND LABOR

HB 1153

2001 SENATE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. HB 1153

Senate Industry, Business and Labor Committee

Conference Committee

Hearing Date March 05, 2001.

Tape Number	Side A	Side B	Meter #
1	x		0 to 17.4
(3/14/01) 1		x	42.6 to 44.1
Committee Clerk Signature <i>Doris C. Pritz</i>			

Minutes:

The meeting was called to order. All committee members present. Hearing was opened on HB 1153 relating to establishing incentives for employers to hire workers who have previously sustained a work injury ; the definition of fee schedule for workers' compensation purposes, prohibiting employers from requiring injured workers to use sick or annual leave benefits, the confidentiality and use of workers' compensation claim file information; to provide a penalty; to provide a continuing appropriation; and to provide an effective date.

Bob Indvik, Vice-Chairman, ND Workers' Compensation Bureau Board of Directors. Written testimony attached.

Brent Edison, VP of Legal and Special Investigations, ND Workers' Compensation Bureau. Written testimony attached.

Chuck Peterson, GNDA, in support. Written testimony attached.

Page 2

Senate Industry, Business and Labor Committee

Bill/Resolution Number HB 1153

Hearing Date March 05, 2001.

David Kennitz, NDAFL-CIO: Sections 2 and 3 are of particular interest to us. Workers need chance for good work environment where they can excel and decent wages. We support this bill.

No opposing testimony. Hearing concluded.

March 14, 2001. Tape: 1-B-42.6 to 44.1

Committee reconvened. All members present. Discussion held.

Senator Espegard: Motion: do pass. **Senator Klein:** Second.

Roll call vote: 7 yes; 0 no. Motion carried.

Floor assignment: **Senator Espegard.**

REPORT OF STANDING COMMITTEE (410)
March 14, 2001 1:50 p.m.

Module No: SR-44-5604
Carrier: Epegard
Insert LC: . Title: .

REPORT OF STANDING COMMITTEE

HB 1153: Industry, Business and Labor Committee (Sen. Mutch, Chairman) recommends DO PASS (7 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). HB 1153 was placed on the Fourteenth order on the calendar.

2001 TESTIMONY

HB 1153

HOUSE BILL NO. 1153

**Fifty-Seventh Legislative Assembly
Before the House Industry, Business and Labor Committee
January 24, 2001**

**Testimony of Brent J. Edison
North Dakota Workers Compensation**

Mr. Chairman, Members of the Committee:

My name is Brent J. Edison. I am the Vice President of Legal and Special Investigations for North Dakota Workers Compensation (NDWC) and I am here to testify in support of 2001 House Bill No. 1153. This bill was approved unanimously by the Workers Compensation Board of Directors.

This bill amends subsection 19 of section 65-01-02 and sections 65-05-08 and 65-05-32 of the North Dakota Century Code dealing with the definition of fee schedule, use of sick leave by employers, privacy of medical records, and creates a preferred worker program to create incentives for employers to hire workers with restrictions.

I. DEFINITION OF FEE SCHEDULE.

Prior to 1999, NDWC was required to follow the administrative rulemaking process to update its medical fee schedules. When NDWC adopted a new medical fee schedule in 1998, it took eight months for NDWC to go through the administrative rulemaking process before the new fee schedule took effect.

In 1999, the Legislative Assembly amended section 65-02-08 to allow NDWC to update its fee schedules through a faster notice and hearing process, rather than having to follow the full-blown eight-month rulemaking process. The 1999 amendment states:

