

# MICROFILM DIVIDER

OMB/RECORDS MANAGEMENT DIVISION

SFN 2053 (2/85) 5M



ROLL NUMBER

DESCRIPTION

1411

2007 HOUSE INDUSTRY, BUSINESS AND LABOR

HB 1411

## 2007 HOUSE STANDING COMMITTEE MINUTES

Bill/Resolution No. HB 1411

House Industry, Business and Labor Committee

Check here for Conference Committee

Hearing Date: 01-29-2007

Recorder Job Number: 2217

Committee Clerk Signature

*Lisa M Thomas*

Minutes:

**Chairman Keiser opened the hearing on HB 1411. HB 1411 relates to worker's compensation benefits for modification of real estate and vehicles.**

**Rep. Johnson** introduced the bill.

**Rep. Johnson:** This bill is an addition to current law which would allow WSI to look at an injured worker's case with exception when allowing for a vehicle. Tim Effertz has a friend who is an injured worker who has a friend who is an injured employee but not designated catastrophically injured. He is in a motorized wheel chair and has difficulty getting out because he isn't able to get the motorized chair into or out of a vehicle. Part B of HB 1411 would allow WSI to pay for specially equipped motor vehicles or adaptations when medically necessary for catastrophically injured worker. Part C allows the same provision for an injured employee who is not designated catastrophically injured but may need the adaptations. In current law WSI is prohibited from permitting this to anyone but a catastrophically injured employee. This bill would allow WSI to look at exceptional circumstances and provide an additional benefit to injured employee.

**Anne Jorgenson-Greene, WSI Council,** spoke in support of the bill. *See written testimony.*

**Rep. Dietrich:** Can you explain catastrophically injured? Or a rare situation?

**Greene:** It's impossible to predict a situation or the absolute numbers that would come as a result of providing this benefit to injured workers, but at this point, we anticipate that there is forty-four known catastrophic claims and that is in WSI claims files. Arguably there would potentially one to two per year, although it is impossible to guess.

**Rep. Keiser:** The fiscal note suggests a one million dollar impact to the fund?

**Greene:** That is correct.

**Rep. Keiser:** What impact is one million dollars have on the rate?

**Greene:** That is also outlined in the fiscal note and potentially three to five claims a year would result in catastrophic designation and this is just an estimate.

**David Kemnitz, AFL-CIO,** stated his support for the record.

**Sebald Vetter, CARE,** spoke in support of the bill.

**Vetter:** I am for this bill only thing I got a little against it is there are too many may's in there and there should be a few more shalls in there. Other than that I think it's a start. We mentioned that this summer when we had a committee. I think we brought that up and it's a good bill. Are there also wheel chairs involved in this?

**Rep. Keiser:** We will get clarification on that.

**Kevin Paulson,** injured worker, spoke in support of the bill.

**Paulson:** After my last functional capacities assessment, I was assessed at approximately twenty-two and a half percent total impairment and I have been informed that the average figure for catastrophically injured is twenty five percent. I am in favor of this bill not only for myself but others.

**Greene:** This particular bill does not apply to wheelchairs. That is a regular benefit provided for under Title 65.

**Rep. Thorpe:** Under section one, item five, where it says "may" can WSI not do that now, under "may"?

**Greene:** Under the current law, there is a provision for fifty thousand dollars for a catastrophically injured worker for modifications to real estate. Under HB 1038 there is an additional benefit for one hundred thousand dollars for vehicles and modifications to the vehicles.

**Ed Christianson,** spoke to the bill.

**Christianson:** I just wanted to make sure it was clarified because when Nancy read, she said something about power wheel chairs and I wanted to make sure that any type of wheel chair you could qualify for.

**The hearing was closed.**

**Rep. Thorpe moved a DO PASS. Rep. Zaiser seconded.**

**Roll call vote: 12 yes. 1 no. 1 absent.**

**Carrier: Rep. Boe**

**FISCAL NOTE**  
**Requested by Legislative Council**  
01/16/2007

Bill/Resolution No.: HB 1411

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.*

	2005-2007 Biennium		2007-2009 Biennium		2009-2011 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.*

2005-2007 Biennium			2007-2009 Biennium			2009-2011 Biennium		
Counties	Cities	School Districts	Counties	Cities	School Districts	Counties	Cities	School Districts

2A. **Bill and fiscal impact summary:** *Provide a brief summary of the measure, including description of the provisions having fiscal impact (limited to 300 characters).*

The proposed legislation provides funds for the purchase or adaptation of specially equipped motor vehicles for the catastrophically injured or in exceptional circumstance cases as determined by the organization.

B. **Fiscal impact sections:** *Identify and provide a brief description of the sections of the measure which have fiscal impact. Include any assumptions and comments relevant to the analysis.*

WORKFORCE SAFETY & INSURANCE  
2007 LEGISLATION  
SUMMARY OF ACTUARIAL INFORMATION

BILL NO: HB 1411

BILL DESCRIPTION: Purchase or adaptation of specially equipped motor vehicles

SUMMARY OF ACTUARIAL INFORMATION: Workforce Safety & Insurance, 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 provides funds for the purchase or adaptation of specially equipped motor vehicles for the catastrophically injured or in exceptional circumstance cases as determined by the organization, not to exceed \$100,000 for the life of the claim.

Reserve Level Impact: It is estimated that approximately half of the 44 known open catastrophic cases within the system may be in a position to utilize this type of allowance. Based on this estimate, it is anticipated the proposal would increase required discounted reserve levels by approximately \$1 million. Should other existing claims emerge to a catastrophic or exceptional circumstance status, the estimate would increase accordingly.

Rate Level Impact: Historically, WSI incurs approximately 3 to 5 claims per year that result in a catastrophic designation. Based on this assumption, the anticipated premium rate level impact to cover the costs of future claims would be less than 0.5% increase in statewide premium levels.

DATE: January 19, 2007

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, for each agency and fund affected. Explain the relationship between the amounts shown for expenditures and appropriations. Indicate whether the appropriation is also included in the executive budget or relates to a continuing appropriation.

<b>Name:</b>	John Halvorson	<b>Agency:</b>	WSI
<b>Phone Number:</b>	328-3760	<b>Date Prepared:</b>	01/19/2007

Date: 1-29-07  
Roll Call Vote #: \_\_\_\_\_

2007 HOUSE STANDING COMMITTEE ROLL CALL VOTES  
BILL/RESOLUTION NO. HB 1411

House Industry Business & Labor Committee

Check here for Conference Committee

Legislative Council Amendment Number \_\_\_\_\_

Action Taken Do pass

Motion Made By Rep. Thorpe Seconded By Rep. Zaiser

Representatives	Yes	No	Representatives	Yes	No
Chairman Keiser	X		Rep. Amerman	X	
Vice Chairman Johnson	X		Rep. Boe	X	
Rep. Clark	X		Rep. Gruchalla	X	
Rep. Dietrich	X		Rep. Thorpe	X	
Rep. Dosch	X		Rep. Zaiser	X	
Rep. Kasper	X				
Rep. Nottestad	X				
Rep. Ruby	X	X			
Rep. Vigesaa	X				

Total Yes 12 No 1

Absent 1

Floor Assignment Rep Boe

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

**REPORT OF STANDING COMMITTEE**

HB 1411: Industry, Business and Labor Committee (Rep. Keiser, Chairman) recommends **DO PASS** (12 YEAS, 1 NAY, 1 ABSENT AND NOT VOTING). HB 1411 was placed on the Eleventh order on the calendar.

2007 SENATE INDUSTRY, BUSINESS AND LABOR

HB 1411

## 2007 SENATE STANDING COMMITTEE MINUTES

Bill/Resolution No. **HB 1411**

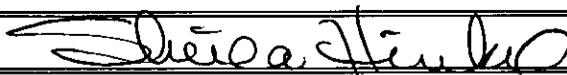
Senate Industry, Business and Labor Committee

Check here for Conference Committee

Hearing Date: **March 7, 2007**

Recorder Job Number: **4567**

Committee Clerk Signature



*WSI bill to assist catastrophic injuries:*

**Representative Nancy Johnson District 37 - In Favor**

**TESTIMONY # 1** *Read testimony, ends 1:11m*

**S Klein:** This will expand what was in HB 1038 to provide additional help to some other folks.

**Nancy J:** It would be individuals that have had a compensable injury and that have had some assistance through WSI and they would look at it and say, "you know, there are some extenuating needs here that we think would really help this person in their ability to live their life," and try to make a little flexibility and latitude for them to allow that.

**S Klein:** Seems that WSI will be on board in these catastrophic issues, will it be imperative that they be on board on this particular bill? There was some discussion about the fact that if we have new management that they wouldn't see it catastrophic as we currently see catastrophic, or as in this issue.

**Nancy J:** Not sure how to answer.

**Ann Jorgenson Green – Staff Attorney for WSI - In Favor**

**TESTIMONY # 2** *Read testimony, ends 4:25m*

Bill I s sponsored for the motor vehicle adaptation.

**S Wanzek:** Anybody that needs that kind of assistance, why are they NOT catastrophically injured? I'm trying to figure out how someone would not be deemed catastrophically injured if they're injured to the point where they need mechanical assistance or adaptations, or...?

Can you give me an example?

**Ann JG:** The definition of "catastrophic" is laid out in statute. It encompasses a number of specific injuries, conditions that result as a workplace injury and I'll give you a few of them: Paraplegia, quadriplegia, severe close head injury, total blindness in both eyes, amputation of an arm proximal to the wrist or a leg proximal to the ankle. They're specific injuries, but as you probably know from your experience as a lay person, there are injuries that might not fit within the definition of a catastrophic injury, but might cause the same limitations of an injured workers ability to move or to ambulate to get from point A to point B to get into a vehicle that might not fit within the definition of a catastrophically injured worker, but might still require special equipment to assist them in getting around.

**S Klein:** So this is providing "wiggle room" for the agency to look at these folks in a different light because they don't fit in the definitions you repeated to us.

**Ann JG:** That's correct

**S Hacker:** Do you have any cases right now that you actually do something with this piece of legislation? Do you have a case ready?

**Ann JG:** I know that Rep. Johnson mentioned that Mr. Effertz has a friend that needs additional help. I have none on my personal claims load. I know there are individuals out there that might exist that might need additional help.

**Wade Mann – ND Chamber of Commerce - In Favor**

**TESTIMONY # 3 7:59m to 8:23m**

**Tim Effertz – Injured Worker in a Wheelchair - In Favor**

This is a good type of legislation. We need to give the WSI people the latitude to do the little extra things that will probably get that person to go back to work. You have to realize that there's a difference between somebody being "impaired" and someone "disabled." You can have horrific impairments, and they can do things if they have the latitude to do things that the law doesn't exactly provide for. This is GOOD legislation.

**Sebald Vetter – CARE - In Favor**

I can't believe it, I've seen a lot of bills go through here and the legislature, but I can see that WSI is really breaking down and trying to help people who need help. This is the first bill that I've seen that they really come out and try to help catastrophic people. We know there's a lot of people out there that need help like that for years. I'd like to congratulate Workmen's Comp for working on that. I've got to praise you Mr. Klein, I don't know how you got everybody in here, votin' "yes" on every bill. Nobody's going against. You're doing a terrific job.

**S Behm:** He doesn't need any more praise, it's already gone to his head.

**S Klein:** Easy Sebald, we'll have to open those doors so they can leave.

**S Potter:** We can fix that Sebald.

**S Wanzek:** We need to remind Sebald he had partners here, too.

**David Kemnitz – Pres. NDAFCIO - In Favor**

Well put and explained, want to go on record in support.

**S Potter:** Brother Kemnitz, do you know the words to, "Solidarity Forever?"

**S Klein:** Don't start singing yet.

**Sandy Blunt – WSI** *Asked to take the podium*

**S Klein:** The discussion on 1038 is how we look at the catastrophically injured. Will this provide the flexibility, we heard good things about what this will bill do. You're good with it, for the committee benefit.

**Sandy Blunt – Executive and CEO of WSI**

This is to address those limited cases where we can assist and there indicates as an Emergency Clause is on this, we will work with Mr. Effertz as well as our data base and see if we can find some of those folks. We appreciate Mr. Effertz bringing this to our attention. It was an oversight.

**S Wanzek:** My father got caught in a PTO, broke his arm and cracked his head open and was laid up a long time, but eventually recovered, would that be that type of injury, could it be a temporary impairment where it eventually heals if they needed it.

**Sandy B:** It all depends on the case. What will cause this case to rise to this level is in an automated wheelchair such as Mr. Effertz. You can't just pick that up and put it into the back of your truck, so the individual is now home bound and really can't go anywhere, we've purchased that vehicle, which are very few we can purchase at that level, therefore we have an obligation so the individual's not trapped in their home or yard. That they have the appropriately modified home and that they have a vehicle that can pick this wheelchair up and help them get out of the community. They may even be able to work, that's what causes us in limited cases to help.

**CLOSE**

**S Wanzek:** Procedurally, when they both pass, how doe that work?

**S Klein:** This is two different bills. So, procedurally it won't matter. What the first bill does is provide for catastrophically injured, this bill will provide for the folks who fall in that crack that

does not apply to that particular definitions and they would need to look beyond support of this bill where they now have flexibility for the folks as Mr. Effertz's friend.

**Tim Effertz - *in respond to S Wanzek's question***

The only reason that you would be catastrophically injured is that WSI is to contemplate giving you rehabilitation benefits. So we have a person who's obviously not going to get rehabilitation benefits. There is no cause not to decree that he is catastrophically injured.

**Motion for a DO PASS by S Potter**

**Second by S Wanzek**

**Roll vote on HB 1411 – 7-0-0 Passed**

**Carrier: S Behm**



**REPORT OF STANDING COMMITTEE**

**HB 1411: Industry, Business and Labor Committee (Sen. Klein, Chairman) recommends DO PASS and BE REREFERRED to the Appropriations Committee (7 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). HB 1411 was rereferred to the Appropriations Committee.**

2007 SENATE APPROPRIATIONS

HB 1 411

## 2007 SENATE STANDING COMMITTEE MINUTES

Bill/Resolution No. 1411

Senate Appropriations Committee

Check here for Conference Committee

Hearing Date: 03-14-07

Recorder Job Number: 5078

Committee Clerk Signature

*Alice DeBer*

Minutes:

**Chairman Holmberg** opened the hearing on HB 1411 on March 14, 2007.

**Representative Nancy Johnson, District 37, Dickinson** gave oral testimony in support of HB 1411. The bill relates to the payment by the Workforce and Safety and Insurance (WSI) regarding an injured employee with a catastrophic injury.

**Senator Tallackson** asked if they can do this now. He was informed that currently they cannot unless we pass this legislation.

**Senator Bowman** asked if these add to the increased cost and who pays these costs. He was informed it would come out of the funds that are generated from the employers sending in their rates to WSI.

**Chairman Holmberg** stated this bill came from us from IB and L Committee.

**Senator Fischer** made comments concerning the fiscal note.

The hearing was closed. Committee was asked what they wanted to do with the bill.

**Senator Fischer moved a DO PASS, Senator Lindaas seconded. A roll call vote was taken resulting in 9 yeas, 0 nays, and 5 absent. The motion carried. Senator Behm from IB and L will carry the bill.**

The hearing on HB 1411 closed.

Date:  
Roll Call Vote #:

2007 SENATE STANDING COMMITTEE ROLL CALL VOTES  
BILL/RESOLUTION NO. 1411

Senate Appropriations Committee

Check here for Conference Committee

Legislative Council Amendment Number ~~do pass~~

Action Taken do pass

Motion Made By \_\_\_\_\_ Seconded By \_\_\_\_\_

Senators	Yes	No	Senators	Yes	No
Chairman Ray Holmberg	✓		Senator Aaron Krauter		
Vice Chairman Bill Bowman	✓		Senator Elroy N. Lindaas	✓	
Vice Chairman Tony Grindberg			Senator Tim Mathern		
Senator Randel Christmann			Senator Larry J. Robinson	✓	
Senator Tom Fischer	✓		Senator Tom Seymour		
Senator Ralph L. Kilzer	✓		Senator Harvey Tallackson	✓	
Senator Karen K. Krebsbach	✓				
Senator Rich Wardner					

Total (Yes) 9 No 0

Absent 5

Floor Assignment IB + J Sen Behm

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

**REPORT OF STANDING COMMITTEE (410)**  
March 15, 2007 7:38 a.m.

**Module No: SR-49-5368**  
**Carrier: Behm**  
**Insert LC: . Title: .**

**REPORT OF STANDING COMMITTEE**

**HB 1411: Appropriations Committee (Sen. Holmberg, Chairman) recommends DO PASS**  
(9 YEAS, 0 NAYS, 5 ABSENT AND NOT VOTING). HB 1411 was placed on the  
Fourteenth order on the calendar.

2007 TESTIMONY

HB 1411

2007 House Bill No. 1411  
Testimony before the House Industry, Business, and Labor Committee  
Anne Jorgenson Green, Staff Attorney  
Workforce Safety and Insurance  
January 29, 2007

*Same given to Senate I.B. & L.*

Mr. Chairman, Members of the Committee:

My name is Anne Jorgenson Green and I am staff counsel for Workforce Safety and Insurance (WSI). I am here to testify in support of HB 1411 which expands the concept found in Section 1 of 2007 HB 1038. The Board of Directors supports this bill.

Section 1 of HB 1038 allows the Organization to make available up to \$100,000 to provide cost effective, specially equipped motor vehicles or motor vehicle adaptations to eligible catastrophically injured employees. In addition, as the law currently stands, catastrophically injured employees may receive up to \$50,000 for real estate modifications.

HB 1411 builds on HB 1038 and existing law and will permit the organization in exceptional circumstances to award these benefits beyond just those workers who are catastrophically injured. There are rare situations where an injured worker may not be catastrophically injured but might still need a specially equipped motor vehicle, or adaptations to his home or vehicle. This bill provides the same benefit level of \$50,000 for modifications to real estate and \$100,000 for the purchase or modification of a vehicle to injured employees in situations where WSI determine these benefits would be cost effective and appropriate because exceptional circumstances exist.

That concludes my testimony. I would be happy to answer any questions that you may have.

HB 1411  
Senate Industry, Business and Labor Committee  
Chairman Jerry Klein  
March 7, 2007  
Representative Nancy Johnson

Good morning Chairman Klein and Members of the Senate IB&L Committee. For the record, my name is Nancy Johnson. I represent District #37 – most of the city of Dickinson.

HB 1411 allows WSI to assist injured workers who are not identified as catastrophic, but who nevertheless are in need of some assistance with vehicles, vehicle modifications or home adaptations.

Currently, to receive any of these benefits an injured worker would need to be deemed catastrophically injured. This bill would allow WSI to set up some guidelines to assist individuals who are really in need of help, but aren't catastrophic.

Tim Effertz brought this need to our attention. He has a friend that has a work related and compensable injury that requires him to use a motorized wheel chair. However, he is unable to get around much because he cannot get the wheelchair into his vehicle. This bill would allow WSI to assist him in a vehicle modification.

Mr. Chairman and Senators, I ask for your support of HB 1411 and would stand for any questions.

#1  
1411



**Testimony of Bill Shalhoob  
North Dakota Chamber of Commerce  
HB 1411  
March 7, 2007**

Mr. Chairman and members of the committee, my name is Bill Shalhoob and I am here today representing the ND Chamber of Commerce, the principle business advocacy group in North Dakota. Our organization is an economic and geographic cross section of North Dakota's private sector and also includes state associations, local chambers of commerce, development organizations, convention and visitors bureaus and public sector organizations. For purposes of this hearing we are also specifically representing sixteen local chambers with a total membership of 7,236 and eleven employer associations. As a group we stand in support of HB 1411 and urge a do pass vote from the committee on this bill.

Providing funds for a vehicle and additional benefits for an injured employee who has sustained a catastrophic injury seems to us to be an appropriate use of WSI funds. We understand in exception cases like these the bureau should be allowed some discretion in determining benefits.

Thank you for the opportunity to appear before you today in support of HB 1411.  
I would be happy to answer any questions.

#3  
1411