

**Workers Compensation Bureau  
Budget 485  
House Bill Nos. 1266, 1296, 1325, 1331; Senate Bill No. 2024**

	FTE Positions	General Fund	Other Funds	Total
1999-2001 legislative appropriation	191.00		\$26,120,384	\$26,120,384
1997-99 legislative appropriation	<u>166.00</u>		<u>22,698,044</u>	<u>22,698,044</u>
1999-2001 appropriation increase (decrease) to 1997-99 appropriation	25.00	\$0	\$3,422,340	\$3,422,340

**NOTE:** The 1999-2001 appropriation amounts include \$9,128 of other funds for the agency's share of the \$1.4 million funding pool appropriated to the Office of Management and Budget for assisting agencies in providing the \$35 per month minimum salary increase in July 1999.

Fund surplus status.	Item Description	Status/Result
		As of June 30, 1999, the Workers Compensation Bureau had assets of \$972,946,063 and liabilities of \$881,771,732 creating a fund surplus of \$91,174,331.
		As of June 30, 1998, the Workers Compensation Bureau had assets of \$862,991,995 and liabilities of \$786,673,030 creating a fund surplus of \$76,318,965.
	<b>Internet web application</b> - Section 2 of Senate Bill No. 2024 directs the Workers Compensation Bureau to develop an Internet web application to allow employers to file payroll reports electronically through the Internet. The bureau is to communicate with Job Service North Dakota in order to investigate ways in which the application can accommodate combined or streamlined reporting of common payroll and employment data to the bureau and Job Service.	The Workers Compensation Bureau is in the process of implementing an Internet web application. The agency has been in contact with individuals from Job Service North Dakota regarding the possibility of an application which could accommodate reporting of common payroll and employment data to both entities. The bureau anticipates an application with payroll reporting capabilities to be developed by the end of the 1999-2001 biennium.
	<b>Continuing appropriation</b> - 1999 House Bill No. 1266 provides a continuing appropriation to the Workers Compensation Bureau of moneys in the workers' compensation fund for the purchase of a building for its operations.	A decision has not yet been made regarding the purchase of a building for its operation. The Workers Compensation Bureau is studying options available including buying the existing facility, constructing a new facility, or purchasing another existing facility.
	<b>Workplace safety program and loss prevention program</b> - 1999 House Bill No. 1296 provides a \$1,856,603 appropriation to the Workers Compensation Bureau of moneys in the workers' compensation fund for a workplace safety program and a loss prevention program.	The Workers Compensation Bureau established a safety partnership initiative to provide funding to various industry groups to allow them to provide specialized loss control services for their members. The bureau has awarded four grants under the program totaling \$600,000 to the following organizations--Associated General Contractors of North Dakota, North Dakota Motor Carriers Association/North Dakota Automobile Dealers Association/North Dakota Implement Dealers Association, North Dakota Labor Education Council, and the North Dakota Association of Counties. The bureau has also established a Loss Control Education Unit, which conducts educational and training programs, and a small business safety

**Office of Independent Review** - 1999 House Bill No. 1325 provides a \$440,000 appropriation to the Workers Compensation Bureau of moneys in the workers' compensation fund for an Office of Independent Review. The bill also provides a continuing appropriation to the bureau from the workers' compensation fund for a biennial performance evaluation of the bureau.

**Continuing appropriation** - 1999 House Bill No. 1331 provides a continuing appropriation to the Workers Compensation Bureau from the workers' compensation fund for the payment of costs associated with identifying, preventing, and investigating employer or provider fraud.

initiative program, which provides small employers who implement safety initiatives a discount on workers compensation premiums.

The Workers Compensation Bureau changed the name of the Workers Adviser Program to Office of Independent Review. The responsibility to serve as an alternative to litigation by helping injured workers with disputes and the entire workers' compensation process remains the same.

For the 1999-2001 biennium, the State Auditor's office has contracted with the Hays Group to conduct a performance evaluation. The contract sets the maximum cost of the performance evaluation at \$173,730. The Hays Group began the evaluation in April 2000 and anticipates issuing a final report by September 2000.

The Workers Compensation Bureau has expanded fraud procedures to include employers and providers. The costs associated with investigations will be reported in the bureau's annual audited financial statements, and the program will be evaluated in the performance evaluation.