

CHAPTER 65-08.1 WORKFORCE SAFETY AND INSURANCE COMPANY

65-08.1-01. Definitions.

In this chapter, unless the context otherwise requires:

1. "Company" means the workforce safety and insurance company or other organization established by the organization to provide additional workforce safety and insurance coverage.
2. "Employers' liability coverage" means an insurance product that provides coverage for injury-related claims suffered by an employee that are not covered by title 65.
3. "Extraterritorial workforce safety and insurance coverage" means coverage provided under section 65-08-01.
4. "Incidental operations" means operations of an employer for fewer than thirty days in a state with which the employer has no other significant contacts.
5. "Other states insurance" means an insurance product that provides workforce safety and insurance coverage to an employer for that employer's employee while the employee is working at an incidental operation in a state in which the employee is eligible to file for workforce safety and insurance benefits if the employee suffers a work-related illness or injury or dies as a result of work activities in that state.
6. "Principally localized" means the employer has a place of business in this state, the employee regularly works at or from that place of business, the employment contract is entered in that state, and in case of an employee leasing company, the company retains control over the employee and does not lease the employee to an out-of-state employer.

65-08.1-02. Workforce safety and insurance additional coverages.

The organization may establish a casualty insurance organization, organized as a stock or mutual company, a risk pool, a reciprocal exchange, a risk retention or purchasing group, or a reinsurer with the limited purpose of offering extraterritorial workforce safety and insurance coverage or other states insurance. The casualty insurance organization may be established only upon the director's determination that the organization is needed to provide sufficient workforce safety and insurance coverage for the employees and employers of this state and upon the approval of the budget section of the legislative management. If a stock insurance company is established, the company shall meet the stock requirements of section 65-08.1-03.

65-08.1-03. Workforce safety and insurance company created - Stock requirements.

The North Dakota workforce safety and insurance may establish a stock insurance company to provide extraterritorial workforce safety and insurance, other states insurance, and employer's liability insurance to North Dakota employers insured by the organization. The capital stock and surplus for the company must be paid out of the workforce safety and insurance fund. The company shall have capital stock of at least five hundred thousand dollars and a surplus of at least five hundred thousand dollars. The company may not issue an insurance policy until fifty percent of the required capital stock and all of the required surplus have been paid in, and the residue of capital stock must be paid in within twelve months from the time of filing the articles of incorporation. The organization is the sole stockholder of the company. The company must be incorporated pursuant to the laws of this state and is subject to title 26.1 unless otherwise provided.

65-08.1-04. Board of directors - Members.

The board of directors of the company consists of the director of workforce safety and insurance and four persons appointed by the director. The director is the chairman of the board. The chairman shall appoint a secretary-treasurer for the board. Any member of the board may be removed at any time by the director.

65-08.1-05. Workforce safety and insurance to be provided.

The company shall provide extraterritorial workforce safety and insurance or other states insurance to an employer who is insured by North Dakota workforce safety and insurance. The company may exclude coverage for a state with which workforce safety and insurance has a reciprocal agreement that recognizes an employer's workforce safety and insurance coverage in the state in which the employer's business is principally localized as being sufficient or for a state whose workforce safety and insurance coverage is provided through an exclusive state fund.

65-08.1-06. Rates - Billing.

The board shall set the rates to be charged by the company for additional workforce safety and insurance coverage. The board may consult with workforce safety and insurance and its actuary in determining the appropriate rates. The company shall incorporate its billings with the billings of the organization to ensure that an employer receives one billing that itemizes the charges for mandatory workforce safety and insurance coverage and for the optional additional workforce safety and insurance.