10206.0100

Sixty-second Legislative Assembly of North Dakota

Introduced by

FIRST DRAFT:

Prepared by the Legislative Council staff for the Workers' Compensation Review Committee September 2010

- 1 A BILL for an Act to amend and reenact section 65-05.1-08 of the North Dakota Century Code,
- 2 relating to a workers' compensation grant program for vocational rehabilitation; and to provide a
- 3 continuing appropriation.

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

SECTION 1. AMENDMENT. Section 65-05.1-08 of the North Dakota Century Code is amended and reenacted as follows:

65-05.1-08. Workforce safety and insurance educational revolving loan fund - <u>Vocational rehabilitation grants - Continuing appropriation.</u>

- 1. The organization may establish a revolving loan fund to provide a low-interest loan to an injured employee or to a surviving spouse or dependent child of an injured employee whose death resulted from a compensable injury under section 65-05-16. The loan must be used to pursue an education at an accredited institution of higher education or an institution of technical education. In order to be eligible for a loan under this section, an individual must have obtained a high school diploma or its equivalent and either must be ineligible for retraining under this chapter or must have exhausted training and education benefits. The Bank of North Dakota and the organization shall establish <u>loan</u> eligibility requirements and make application determinations based on the established criteria. The <u>loan</u> application must require an applicant to demonstrate a viable education plan that will enable the individual to achieve gainful employment.
- 2. The total amount loaned annually under this section may not exceed two million five hundred thousand dollars. The maximum amount payable on behalf of an a loan applicant may not exceed fifty thousand dollars and must be payable within five years. A loan must be repaid within a period not to exceed twenty years. A

loan must be repaid at an interest rate established by the organization which may not exceed the rate of one percent below the Bank of North Dakota's prime interest rate. The organization shall pay the Bank of North Dakota a negotiated fee for administering and servicing loans under this section. At the organization's discretion, moneys to establish and maintain the revolving loan fund must be appropriated from the organization's workforce safety and insurance fund. The revolving loan fund is a special fund and must be invested pursuant to section 21-10-06. Investment income and collections of interest and principal on loans made from the revolving loan fund are appropriated on a continuing basis to maintain the fund and provide loans in accordance with this section. The As determined necessary, the organization, as determined necessary, may transfer uncommitted moneys of the revolving loan fund to the workforce safety and insurance fund.

3. The organization may implement a grant program to promote and provide necessary educational opportunities for injured employees within the vocational rehabilitation process. The organization may award a grant to promote necessary skills upgrading and to provide for the completion of remedial educational requirements which allows for optimal transition into the labor force. The total annual amount the organization may grant under this subsection may not exceed one hundred thousand dollars. The organization shall establish grant eligibility requirements and make grant determinations based on the established criteria. Moneys are appropriated on a continuing basis from uncommitted moneys in the educational revolving loan fund for the purpose of funding the grants under this subsection.