## CHAPTER 294-S.F.No. 3068

An act relating to workers' compensation; correcting an appropriation error; modifying reporting requirements; eliminating certain reimbursement requirements; amending Minnesota Statutes 1996, sections 176.183, subdivision 2; 176.231, subdivisions 2 and 7; and 176.305, subdivisions 1 and 2; Laws 1997, chapter 200, article 1, section 12, subdivision 5.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

Section 1. Minnesota Statutes 1996, section 176.183, subdivision 2, is amended to read:

Subd. 2. After a hearing on a petition for benefits and prior to issuing an order against the special compensation fund to pay compensation benefits to an employee, a compensation judge shall first make findings regarding the insurance status of the employer and its liability. The special compensation fund shall not be found liable in the absence of a finding of liability against the employer. Where the liable employer is found after the hearing to be not insured or self-insured as provided for in this chapter, the compensation judge shall assess and order the employer to pay all compensation benefits to which the employee is entitled, the amount for actual and necessary disbursements expended by the special compensation fund, and a penalty in the amount of 65 percent of all compensation benefits ordered to be paid. The award issued against an employer after the hearing shall constitute a lien for government services pursuant to section 514.67 on all property of the employer and shall be subject to the provisions of the revenue recapture act in chapter 270A. The special compensation fund may enforce the terms of that award in the same manner as a district court judgment. The commissioner of labor and industry, in accordance with the terms of the order awarding compensation, shall pay compensation to the employee or the employee's dependent from the special compensation fund. The commissioner of labor and industry shall certify to the commissioner of finance and to the legislature annually the total amount of compensation paid from the special compensation fund under subdivision 1. The commissioner of finance shall upon proper certification reimburse the special compensation fund from the general fund appropriation provided for this purpose. The amount reimbursed shall be limited to the certified amount paid under this section or the appropriation made for this purpose, whichever is the lesser amount. Compensation paid under this section which is not reimbursed by the general fund shall remain a liability of the special compensation fund and shall be financed by the percentage assessed under section 176,129.

Sec. 2. Minnesota Statutes 1996, section 176.231, subdivision 2, is amended to read:

Subd. 2. **INITIAL REPORT, WRITTEN REPORT.** Where subdivision 1 requires an injury to be reported within 48 hours, the employer may make an initial report by telephone, telegraph, or personal notice, and file a written report of the injury within seven days from its occurrence or within such time as the commissioner of labor and industry designates. All written reports of injuries required by subdivision 1 shall include the date of injury, amounts of payments made, if any, and the date of the first payment. The reports shall be on a form designed by the commissioner, with the original a clear copy suitable for imaging to the commissioner, one copy to the insurer, and one copy to the employee.

If an insurer or self-insurer repeatedly fails to pay benefits within three days of the due date, pursuant to section 176.221, the insurer or self-insurer shall be ordered by the

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commissioner to explain, in person, the failure to pay benefits due in a reasonable time. If prompt payments are not thereafter made, the commissioner shall refer the insurer or self-insurer to the commissioner of commerce for action pursuant to section 176.225, subdivision 4.

Sec. 3. Minnesota Statutes 1996, section 176.231, subdivision 7, is amended to read:

Subd. 7. **MEDICAL REPORTS.** If requested by the division, a compensation judge, the workers' compensation court of appeals, or any member or employee thereof an employer, insurer, or employee shall file with the commissioner the original or a verified copy suitable for imaging of any medical report in possession which bears upon the case and shall also file a verified copy of the same report with the agency or individual who made the request.

Sec. 4. Minnesota Statutes 1996, section 176.305, subdivision 1, is amended to read:

Subdivision 1. **HEARINGS ON PETITIONS.** The petitioner shall serve a copy of the petition on each adverse party personally or by first class mail. The original petition <u>A</u> clear copy suitable for imaging shall then be filed with the commissioner together with an appropriate affidavit of service. When any petition has been filed with the workers' compensation division, the commissioner shall, within ten days, refer the matter presented by the petition for a settlement conference under this section, for an administrative conference under section 176.106, or for hearing to the office.

Sec. 5. Minnesota Statutes 1996, section 176.305, subdivision 2, is amended to read:

Subd. 2. **COPY OF PETITION.** The commissioner shall deliver the original petition and answer, after certification for a hearing, to the office of administrative hearings for assignment to a compensation judge.

Sec. 6. Laws 1997, chapter 200, article 1, section 12, subdivision 5, is amended to read:

Subd. 5. Daedalus Project

\$2,500,000 \$2,800,000 appropriated in Laws 1995, chapter 224, section 12, subdivision 2 Laws 1996, chapter 452, section 8, from the workers' compensation fund for the Daedalus imaging project does not cancel on June 30, 1997, but is available until June 30, 1999.

Sec. 7. INSTRUCTION TO REVISOR.

The revisor of statutes shall change the phrase "the original" to "one clear copy suitable for imaging" in Minnesota Rules, parts 5217.0800, subparts 1 and 2; 5218.0100, subpart 1, item A; and 5220.2680, subparts 5 and 6.

The revisor of statutes shall change the phrase "The original" to "One clean copy suitable for imaging of the" in Minnesota Rules, part 5220.2690, subpart 3, item C.

Presented to the governor March 16, 1998

Signed by the governor March 18, 1998, 11:20 a.m.

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