

pursuant to this subdivision shall be included within the meaning of the term employee for the purposes of this chapter.

(h) Notice of election of coverage or of termination of election under this subdivision shall be provided in writing to the insurer. Coverage or termination of coverage is effective the day following receipt of notice by the insurer or at a subsequent date if so indicated in the notice. The insurance policy shall be endorsed to indicate the names of those persons for whom coverage has been elected or terminated under this subdivision. An election of coverage under this subdivision shall continue in effect as long as a policy or renewal policy of the same insurer is in effect.

(i) Nothing in this subdivision shall be construed to limit the responsibilities of owners, partnerships, limited liability companies, or corporations to provide coverage for their employees, if any, as required under this chapter.

Subd. 2. Extraterritorial application. If an employee who regularly performs the primary duties of employment within this state receives an injury while outside of this state in the employ of the same employer, the provisions of this chapter shall apply to such injury. If a resident of this state is transferred outside the territorial limits of the United States as an employee of a Minnesota employer, the resident shall be presumed to be temporarily employed outside of this state while so employed.

Subd. 3. Temporary out-of-state employment. If an employee hired in this state by a Minnesota employer receives an injury while temporarily employed outside of this state, such injury shall be subject to the provisions of this chapter.

Subd. 4. Out-of-state employment. If an employee who regularly performs the primary duties of employment outside of this state or is hired to perform the primary duties of employment outside of this state receives an injury within this state in the employ of the same employer, such injury shall be covered within the provisions of this chapter if the employee chooses to forgo any workers' compensation claim resulting from the injury that the employee may have a right to pursue in some other state, provided that the special compensation fund is not liable for payment of benefits pursuant to section 176.183 if the employer is not insured against workers' compensation liability pursuant to this chapter and the employee is a nonresident of Minnesota on the date of the personal injury.

Subd. 5. [Repealed, 1974 c 486 s 6]

Subd. 5a. Out-of-state injuries. Except as specifically provided by subdivisions 2 and 3, injuries occurring outside of this state are not subject to this chapter.

Subd. 5b. North Dakota employers. Notwithstanding the provisions of subdivision 4, workers' compensation benefits for an employee hired in North Dakota by a North Dakota employer, arising out of that employee's temporary work in Minnesota, shall not be payable under this chapter. North Dakota workers' compensation law provides the exclusive remedy available to the injured worker. For purposes of this subdivision, temporary work means work in Minnesota for a period of time not to exceed 15 consecutive calendar days or a maximum of 240 total hours worked by that employee in a calendar year.

Subd. 6. Commissioner of labor and industry; additional powers. Whenever an employee is covered by subdivision 2, 3 or 4, the commissioner may enter into agreements with the appropriate agencies of other states for the purpose of resolving conflicts of jurisdiction or disputes concerning workers' compensation coverage. An agreement entered into pursuant to this subdivision may be appealed in the same manner and

NOTES TO FINANCIAL STATEMENTS

NOTE 8 - ALL STATES COVERAGE

WSI is the sole provider of workers' compensation coverage in North Dakota and insures employers for work related injuries. A North Dakota employer that operates outside of the state may be at risk for claims filed in another jurisdiction. As a solution, in September 2004, WSI contracted with the Accident Fund of America to provide "temporary and incidental" coverage for North Dakota employers who operate outside the state on an incidental basis. Effective July 1, 2010, the program was expanded to include all North Dakota policyholders at no charge to the individual policyholder.

NOTE 9 - LEASES

WSI entered into various leases for office space and equipment. The leases contain a clause allowing for termination with a 90-120 day notice and a clause stating that renewal options are dependent on appropriation funding by the State Legislature. At June 30, 2025, WSI recognized a right to use asset of \$278,987 net of amortization amount of \$99,220, which is presented in Note 5. WSI recognized a lease liability of \$179,768 related to these agreements. WSI uses the US prime interest at the time the lease was signed plus 1%. The interest expense for these leases at June 30, 2025 was \$210,708.

The following is a schedule of future minimum lease payments required under the leases. Future renewal or termination options that may be available are not included in the totals below.

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>
2026	\$ 52,477	\$ 13,676
2027	57,736	8,802
2028	36,223	5,603
2029	33,332	2,131
	<u>\$179,768</u>	<u>\$ 30,211</u>