

FISCAL NOTE

Requested by Legislative Council

01/30/2001

Bill/Resolution No.: SB 2433

Amendment to:

1A. **State fiscal effect:** *Identify the state fiscal effect and the fiscal effect on agency appropriations compared to funding levels and appropriations anticipated under current law.*

1999-2001 Biennium		2001-2003 Biennium		2003-2005 Biennium	
General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds

Revenues

Expenditures

Appropriations

1B. **County, city, and school district fiscal effect:** *Identify the fiscal effect on the appropriate political subdivision.*

1999-2001 Biennium			2001-2003 Biennium			2003-2005 Biennium		
Counties	Cities	School Districts	Counties	Cities	School Districts	Counties	Cities	School Districts

2. **Narrative:** *Identify the aspects of the measure which cause fiscal impact and include any comments relevant to your analysis.*

NORTH DAKOTA WORKERS COMPENSATION

2001 LEGISLATION

SUMMARY OF ACTUARIAL INFORMATION

BILL DESCRIPTION: Permanent Total Disability

BILL NO: SB 2433

SUMMARY OF ACTUARIAL INFORMATION: North Dakota Workers Compensation, together with its actuary, Glenn Evans of Pacific Actuarial Consultants, has reviewed the legislation proposed in this bill in conformance with Section 54-03-25 of the North Dakota Century Code.

The proposed legislation provides for employees with injuries resulting in temporary total disability to be deemed permanently totally disabled if the injured employee has not returned to work within seven years of the date of injury. The proposed bill would apply to injuries occurring after July 31, 2001.

FISCAL IMPACT:

Rate Level Impact: Not quantifiable. Rates are set to cover the expenses associated with the claims incurred during the policy year. To the extent the proposed bill serves to increase the number of claims resulting in long term

disability, the increased system costs associated with long term disability would be reflected in subsequent rate adjustments.

Reserve Level Impact: The proposed bill results in no reserve level impact as the bill is designed to apply prospectively to future claims.

DATE: January 30, 2001

3. **State fiscal effect detail:** *For information shown under state fiscal effect in 1A, please:*

A. **Revenues:** *Explain the revenue amounts. Provide detail, when appropriate, for each revenue type and fund affected and any amounts included in the executive budget.*

B. **Expenditures:** *Explain the expenditure amounts. Provide detail, when appropriate, for each agency, line item, and fund affected and the number of FTE positions affected.*

C. **Appropriations:** *Explain the appropriation amounts. Provide detail, when appropriate, of the effect on the biennial appropriation for each agency and fund affected and any amounts included in the executive budget. Indicate the relationship between the amounts shown for expenditures and appropriations.*

Name: Paul R. Kramer
Phone Number: 328-3856

Agency: ND Workers Compensation
Date 01/31/2001
Prepared: