FISCAL NOTE

Requested by Legislative Council

02/15/2001

Bill/Resolution No.:

Amendment to: SB 2121

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	
	venues penditures							
-	propriations							
1B.	County, city,	and school	district fiscal eff	ect: Identify	the fiscal effect	on the appro	priate political subd	ivision.

1999 [.]	-2001 Bieni	nium	2001-2003 Biennium			2003-2005 Biennium		
O sum the s	01/14	School Districts	Ossentias	01114	School Districts	Ossentias		School
Counties	Cities	Districts	Counties	Cities	Districts	Counties	Cities	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: Employer Fraud

BILL NO: Engrossed SB 2121

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 engrossed bill provides that an employer may be found guilty of fraud for making false statements to get a claim or benefit paid.

FISCAL IMPACT: We did not attempt to derive an estimate of the likely impact of the proposed change on rate and reserve levels because we do not have access to an appropriate base of historical experience to use in deriving the estimates. However, based on NDWC's past successes with fraud prevention initiatives, we anticipate that cost savings will emerge over time if the legislation is passed. DATE: February 15, 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: Phone Number: Paul R. Kramer 328-3856

Agency: Date Prepared: ND Workers Compensation 02/15/2001