

FISCAL NOTE

Requested by Legislative Council

01/03/2005

Bill/Resolution No.: HB 1122

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.*

	2003-2005 Biennium		2005-2007 Biennium		2007-2009 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.*

2003-2005 Biennium			2005-2007 Biennium			2007-2009 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.*

WORKFORCE SAFETY & INSURANCE
2005 LEGISLATION
SUMMARY OF ACTUARIAL INFORMATION

BILL DESCRIPTION: Third Party Recoveries

BILL NO: HB 1122

SUMMARY OF ACTUARIAL INFORMATION: Workforce Safety & Insurance, 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 creates a lien on monetary awards or settlements paid to an injured worker from a third party; clarifies WSI's ability to bring a legal action to collect its share of any monetary recovery when WSI does not recover the share to which it is entitled; clarifies the amount of attorney fees WSI must pay when a recovery is made and clarifies under what condition the fee may be requested; clarifies the apportionment of costs of a third party action; and allows WSI to recover benefits paid to an injured worker for a claim accepted by WSI and later accepted in another state.

FISCAL IMPACT: The proposed legislation will assist WSI in collecting their share of recoveries to which the organization is entitled. The modification of attorney fees and conditions in which they are paid provides an incentive to resolve disputes through a binding dispute resolution process, thus avoiding the costs of a long drawn out court proceeding. Although not quantifiable, to the extent recoveries are increased and costs are reduced, this will be reflected in future premium levels.

DATE: January 3, 2005

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.*

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Agency: WSI
Date Prepared: 01/11/2005