

(Return in triplicate)

FISCAL NOTE

FEB 1 1983

Bill/Resolution No.: 1433 Amendment to: \_\_\_\_\_

Requested by: Legislative Council Date of Receipt: 1-19-83

Please estimate the fiscal impact of the above measure for:

State general or special funds       Counties       Cities

In the following space note the fiscal effect in dollars of this measure:

Narrative: The fiscal effect of HB 1433 will be to increase benefits paid by \$261,000 per year. This means that the Workmen's Compensation Fund will have to establish an additional reserve of \$3,600,000.

Incurred losses for 1983-84 will be increased by approximately 10% to account for the \$3.6 million reserve requirement. This means that an additional 10% of one year's total premium will have to be collected, or that a 10% premium reduction to employers will have to be delayed.

It should be noted that it can be safely said that for every additional dollar in benefits paid out, there must be an additional dollar paid into the Fund, or an additional dollar that is not returned to employers in the form of premium reductions.

State Fiscal Effect:

<u>1983-84</u>		<u>1984-85</u>		<u>Biennium Total</u>	
<u>Special Funds</u>	<u>General Fund</u>	<u>Special Funds</u>	<u>General Fund</u>	<u>Special Funds</u>	<u>General Fund</u>
Benefits (\$261,000)	10% of premium paid	Benefits (\$261,000)	None	Benefits (\$522,000)	10% of one annual premium
Reserve (\$3,600,000)		Reserve None		Reserve (\$3,600,000)	

County and City Fiscal Effect:

<u>1983-84</u>		<u>1984-85</u>		<u>Biennium Total</u>	
<u>Counties</u>	<u>Cities</u>	<u>Counties</u>	<u>Cities</u>	<u>Counties</u>	<u>Cities</u>
10% of annual premium	10% of annual premium	None	None	10% of one annual premium	10% of one annual premium

If additional space is needed, attach a supplemental sheet.

Signed Margaret Bushee  
Typed Name Margaret Bushee, Chairman  
Department Workmen's Compensation Bureau

Date prepared: 1-31-83