

Bill/Resolution No.: SB 2388 Amendment to:

Requested by: Legislative Council Date of Receipt: 2-2-83

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: SB 2388 is expected to have a substantial effect on the Workmen's Compensation Fund.

The Workmen's Compensation Bureau is required by statute to pay outside attorneys' fees to lawyers representing claimants in proceedings before the Workmen's Compensation Commission, and to pay the attorneys' fees of lawyers representing a claimant who is appealing a decision of the Workmen's Compensation Commission to the courts. The law requires the Workmen's Compensation Bureau to pay these fees whether or not the lawyer wins his case.

The Bureau expects to pay approximately \$200,000 in attorneys' fees in the 1983-85 biennium from the Workmen's Compensation Benefit Fund. If SB 2388 is passed into law, it is expected that this amount would double to approximately \$400,000. However, it should be noted the actual amount of attorneys' fees that the Bureau would be required to pay may vary from this estimate.

In addition to the expected additional lawyers' fees paid from the Benefit Fund, it will be necessary to increase the appropriation of the Workmen's Compensation Bureau to provide additional personnel for the Bureau's legal department to handle the anticipated increase in caseload. (Continued on attached sheet)

State Fiscal Effect:

Table with 6 columns: 1983-84 (Special Funds, General Fund), 1984-85 (Special Funds, General Fund), Biennium Total (Special Funds, General Fund)

County and City Fiscal Effect:

Table with 6 columns: 1983-84 (Counties, Cities), 1984-85 (Counties, Cities), Biennium Total (Counties, Cities)

If additional space is needed, attach a supplemental sheet.

Signed Margaret Bushee

Typed Name Margaret Bushee, Chairman

Date prepared: 2-11-83

Department Workmen's Compensation Bureau

Bill/Resolution No.: SB 2388

Amendment to: _____

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(Continuation)

Narrative: It will be necessary to have two FTE positions in addition to the 63 positions proposed in the executive budget recommendation. One full-time attorney and one full-time legal secretary would be needed, along with the appropriations for additional equipment, travel and other operating expenses.

For the 1983-85 biennium, additional expenditures would be required as follows:

<u>Appropriated</u>	
Salaries and Wages	\$103,000
Transportation	7,500
Other Operating Expenses	10,000
Equipment	13,000
Total Additional Approp.	<u>\$133,500</u>
<u>Not Subject to Appropriation</u>	
Attorneys' Fees	200,000
Total Additional Expenditures	<u>\$333,500</u>

In summary, it is anticipated that the provisions of SB 2388 would increase the expenses of the Workmen's Compensation Fund by \$333,500. SB 2388 may result in increased premiums paid by North Dakota employers, including the State of North Dakota and its political subdivisions.

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>
(\$163,500)	Possible increase in WC premiums paid.	(\$170,000)	Possible increase in WC premiums paid.	(\$333,500)	Possible increase in WC premiums paid.

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>
Possible increase in WC premiums paid.	Possible increase in WC premiums paid.	Possible increase in WC premiums paid.	Possible increase in WC premiums paid.	Possible increase in WC premiums paid.	Possible increase in WC premiums paid.

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Department Workmen's Compensation Bureau