

(Return in triplicate)

FISCAL NOTE

Bill/Resolution No.: House Bill No. 1565 Amendment to: \_\_\_\_\_

Requested by: Legislative Council Date of Receipt: January 30, 1985

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 provisions of HB 1565 would be met from interest accumulated in the Workmen's Compensation Fund in excess of prior actuarial assumptions. The Bureau currently has \$38 million in unallocated reserves; \$15.6 million would be allocated to cover anticipated payments under the provisions of this bill. Interest earnings on reserves allocated for adjusted benefits would be sufficient to fund the provisions of this bill for the second year of the biennium. If current interest rate levels are maintained in the market, original reserves set aside under provisions of this bill may be sufficient to fund adjusted benefit increases for the next several years, with no further allocation from unallocated reserves.

Actual cash flow would reduce fund assets by \$689,000 for the first year of the biennium and \$826,000 for the second year of the biennium. Total cash outflow for the biennium is estimated to be \$1,515,000.

Provisions of this bill would not mean higher Workmen's Compensation premiums for North Dakota employers.

State Fiscal Effect:

1985-86		1986-87		Biennium Total	
<u>Special Funds</u>	<u>General Fund</u>	<u>Special Funds</u>	<u>General Fund</u>	<u>Special Funds</u>	<u>General Fund</u>
\$689,000	0	\$826,000	0	\$1,515,000	0

County and City Fiscal Effect:

1985-86		1986-87		Biennium Total	
<u>Counties</u>	<u>Cities</u>	<u>Counties</u>	<u>Cities</u>	<u>Counties</u>	<u>Cities</u>
0	0	0	0	0	0

If additional space is needed, attach a supplemental sheet.

Signed Margaret Bushee

Typed Name Margaret Bushee

Date prepared: February 11, 1985

Department Workmen's Compensation Bureau