

(Return in triplicate)

FISCAL NOTE

Bill/Resolution No.: House Bill No. 1305 Amendment to: \_\_\_\_\_

Requested by: Legislative Council Date of Receipt: January 15, 1987

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: This bill would provide for an ongoing policy on supplemental benefit rate adjustments.

Supplemental benefit rates for disability would be based on the state's average weekly wage. Supplemental benefit rates for surviving spouses would be based on the maximum death benefit (65-05-17). Rates would be adjusted annually to 60 per cent of the maximum applied to eligible claimants.

The adjustment of rates for claims of record for the first annual review date are estimated to be \$4,178,000 for disability claims, and \$7,231,000 for death claims.

Adjustments on subsequent review dates would be dependent upon the change in the state's average weekly wage and the maximum death benefit as well as the addition of eligible claimants. Estimates of adjustments due to changes in maximum benefits are not available. Adjustments due to the addition of eligible claimants is estimated to be approximately \$200,000 per year for disability claims, and \$320,000 per year for death claims. These estimates are based on claims of record on January 1, 1987, that would be eligible on July 1, 1988.

Our actuary estimates that if this legislation were implemented, it would increase employer premiums by 4.1 per cent annually.

State Fiscal Effect:

<u>1987-88</u>		<u>1988-89</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>
\$11,409,000		\$520,000		\$11,929,000	

County and City Fiscal Effect:

<u>1987-88</u>		<u>1988-89</u>		<u>Biennium Total</u>	
<u>Counties</u>	<u>Cities</u>	<u>Counties</u>	<u>Cities</u>	<u>Counties</u>	<u>Cities</u>

If additional space is needed, attach a supplemental sheet.

Signed Katherine Satrom

Typed Name Katherine Satrom, Chairman

Date Prepared: January 20, 1987

Department ND Workmen's Compensation Bureau