

FISCAL NOTE

(Return original and 13 copies)

Bill/Resolution No.: SB 2319 Amendment to: _____
Requested by Legislative Council Date of Request: January 27, 1997

1. Please estimate the fiscal impact (in dollar amounts) of the above measure for state general or special funds, counties, cities and school districts.

Narrative:

(see attached)

2. State fiscal effect in dollar amounts:

<u>1995-97</u>		<u>1997-99</u>		<u>1999-2001</u>	
<u>Biennium</u>		<u>Biennium</u>		<u>Biennium</u>	
<u>General</u>	<u>Special</u>	<u>General</u>	<u>Special</u>	<u>General</u>	<u>Special</u>
<u>Fund</u>	<u>Funds</u>	<u>Fund</u>	<u>Funds</u>	<u>Fund</u>	<u>Funds</u>

Revenues:

Expenditures:

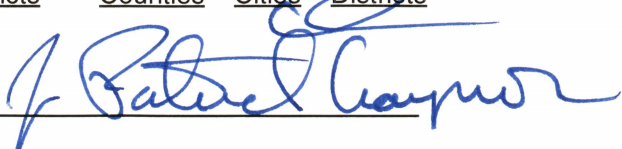
3. What, if any, is the effect of this measure on the appropriation for your agency or department:

- a. For rest of 1995-97 biennium: _____
b. For the 1997-99 biennium: _____
c. For the 1999-2001 biennium: _____

4. County, City and School District fiscal effect in dollar amounts:

<u>1995-97</u>			<u>1997-99</u>			<u>1999-2001</u>		
<u>Biennium</u>			<u>Biennium</u>			<u>Biennium</u>		
<u>Counties</u>	<u>Cities</u>	<u>School</u>	<u>Counties</u>	<u>Cities</u>	<u>School</u>	<u>Counties</u>	<u>Cities</u>	<u>School</u>
		<u>Districts</u>			<u>Districts</u>			<u>Districts</u>

If additional space is needed, attach a supplemental sheet.

Signed 
Typed Name J. Patrick Traynor

Date Prepared: 01/31/97

Department Workers Compensation Bureau

Phone Number (701) 328-3856

NORTH DAKOTA WORKERS COMPENSATION BUREAU
1997 LEGISLATION
SUMMARY OF ACTUARIAL INFORMATION

BILL DESCRIPTION: Premium discount for employers with Bureau approved Risk Management programs

BILL NO: SB 2319

SUMMARY OF ACTUARIAL INFORMATION: The Workers Compensation Bureau, together with its Actuary, Glenn Evans of Pacific Actuarial Consultants, have reviewed the legislation proposed in this bill in conformance with Section 54-03-25 of the North Dakota Century Code.

The proposed bill increases the discount for employers with a Bureau approved Risk Management Program from the current 5% to a new structure comprised of a 15% discount on the first \$5,000; 10% for the next \$15,000 and 5% for any annual premium dollars in excess of \$20,000.

FISCAL IMPACT: Would decrease premium income to the Bureau by \$800,000 for employers that currently have Bureau approved Risk Management programs. Expect additional decreases in premium income as more employers become approved. Additional shortfall will exceed 1% of standard premium. While Bureau can anticipate some reduction in losses to accompany the introduction of effective safety programs, it is not clear the savings in loss costs will offset the associated reduction in premium income.