

FISCAL NOTE

(Return original and 10 copies)

Bill/Resolution No.: \_\_\_\_\_ Amendment to: HB 1266

Requested by Legislative Council \_\_\_\_\_ Date of Request: 2-12-99

- 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:

1997-99 Biennium		1999-2001 Biennium		2001-03 Biennium	
General Fund	Special Funds	General Fund	Special Funds	General Fund	Special Funds

Revenues:

Expenditures:

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

- a. For rest of 1997-99 biennium: \_\_\_\_\_
- b. For the 1999-2001 biennium: \_\_\_\_\_
- c. For the 2001-03 biennium: \_\_\_\_\_

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

1997-99 Biennium			1999-2001 Biennium			2001-03 Biennium		
Counties	Cities	School Districts	Counties	Cities	School Districts	Counties	Cities	School Districts

If additional space is needed, attach a supplemental sheet.

Signed J. Patrick Traynor

Typed Name J. Patrick Traynor

Date Prepared: 02-12-99

Department Workers Compensation Bureau

Phone Number 328-3856

**NORTH DAKOTA WORKERS COMPENSATION BUREAU**  
**1999 LEGISLATION**  
**SUMMARY OF ACTUARIAL INFORMATION**

**BILL DESCRIPTION:** Property Acquisition Authority

**BILL NO:** HB 1266

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

The proposed legislation authorizes the Bureau, with Board approval, to purchase a building to house its operations; mandates a cost-benefit study of any Bureau building purchase; provides a continuing appropriation for the purchase of a building to ensure competitive price negotiations; and provides a sunset clause of July 31, 2003. The bill declares the Act to be an emergency measure.

**FISCAL IMPACT:** The Bureau had a professional realty appraisal firm conduct a preliminary cost benefit study on purchasing a building. The study indicates that purchasing a building rather than continuing to lease a building would likely result in long term cost savings. No rate level impact is anticipated over the short term, however, a reduction in administrative costs over the long term may tend to support subsequent rate decreases.

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**AMENDMENT:** The proposed amendment outlines the requirements the Bureau must meet before entering into a building or property purchase agreement.

The proposed amendment will result in no significant change to the fiscal impact for the bill as introduced.

**DATE:** 2-11-99