

FISCAL NOTE

(Return original and 10 copies)

Bill/Resolution No.: HB 1325 Amendment to: \_\_\_\_\_

Requested by Legislative Council Date of Request: 1-13-99

- 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

Department Workers Compensation Bureau

Phone Number 328-3856

Date Prepared: 01-18-99

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

***BILL DESCRIPTION:***      **Workers' Adviser Program; Independent Performance Audit**

***BILL NO:*** HB 1325

***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 removes the sunset clause from the law creating the Workers' Adviser Program; provides additional funding to expand the program; changes the name to "Office of Independent Review"; and protects the confidentiality of the program's files.

The proposed legislation clarifies that a firm with workers compensation expertise selected to conduct the biennial independent performance audit cannot be construed to mean a CPA firm; and provides a continuing appropriation for the audit to ensure competitive bidding without a legislatively established "cost floor".

***FISCAL IMPACT:*** Not quantifiable. The proposed legislation will increase the funding to administer the Office of Independent Review by approximately \$300,000 per biennium. Total biennial costs for this program are projected to be \$440,000. The increase in expenses can be contained within the current rating structure. The proposed legislation will serve to improve and expedite the service provided by the Office of Independent Review reducing unnecessary legal and return to work costs associated with dispute resolution delays.

It is also anticipated that the cost of the audit may be reduced by providing a continuing appropriation for the independent biennial performance audit to ensure a more competitive bid process.

***DATE:*** 1-17-99