

FISCAL NOTE

(Return original and 10 copies)

Bill/Resolution No.: _____ Amendment to: Eng. HB 1422

Requested by Legislative Council _____ Date of Request: 4-9-99

- 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: 4-9-99

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

BILL DESCRIPTION: **Permanent Partial Impairment**

BILL NO: Engrossed HB 1422

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 bill increases the number of weeks awarded for impairments falling between 15% and 27% and requires the Bureau to conduct a study during the 1999-2000 interim of awards provided to injured employees with permanent impairments caused by compensable work injuries and report its findings to an interim legislative committee.

FISCAL IMPACT:

Rate Level Impact: It is anticipated the bill will generate an increase in the rate level for Fiscal Year 1999-2000 of approximately **1.0%** from the level that would otherwise be required.

Reserve Level Impact: It is anticipated the retroactive nature of the bill will increase required reserve levels for injuries occurring prior to the effective date of the law. The actuary's calculations suggest that the increase in discounted reserves could fall in a range between **\$5 million and \$6 million.**

AMENDMENT: The proposed amendment increases the value of PPI Awards for impairments greater than or equal to 50%; removes the language relating to limitations on multiple awards; and requires the PPI Awards Study to include input from labor, employers, medical providers, and organizations representing those constituencies.

FISCAL IMPACT:

Rate Level Impact: It is anticipated the bill with the proposed amendment will generate an increase in the rate level for Fiscal Year 1999-2000 of approximately **1.5%** from the level that would otherwise be required.

Reserve Level Impact: It is anticipated the retroactive nature of the engrossed bill with the proposed amendment will increase required reserve levels for injuries occurring prior to the effective date of the law. The actuary's calculations suggest that the increase in discounted reserves could fall in a range between **\$7 million and \$9 million.**

DATE: 4-9-99