

FISCAL NOTE
Requested by Legislative Council
01/12/2009

Bill/Resolution No.: HB 1247

1A. **State fiscal effect:** *Identify the state fiscal effect and the fiscal effect on agency appropriations compared to funding levels and appropriations anticipated under current law.*

	2007-2009 Biennium		2009-2011 Biennium		2011-2013 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues						
Expenditures						
Appropriations						

1B. **County, city, and school district fiscal effect:** *Identify the fiscal effect on the appropriate political subdivision.*

2007-2009 Biennium			2009-2011 Biennium			2011-2013 Biennium		
Counties	Cities	School Districts	Counties	Cities	School Districts	Counties	Cities	School Districts

2A. **Bill and fiscal impact summary:** *Provide a brief summary of the measure, including description of the provisions having fiscal impact (limited to 300 characters).*

The proposed legislation increases the weekly dependency allowance from \$10 to \$30 per week for each dependent child and allows for the combined disability benefits and dependency allowance to exceed an injured employee's pre-injury net wage.

B. Fiscal impact sections: *Identify and provide a brief description of the sections of the measure which have fiscal impact. Include any assumptions and comments relevant to the analysis.*

WORKFORCE SAFETY & INSURANCE
2009 LEGISLATION
SUMMARY OF ACTUARIAL INFORMATION

BILL NO: HB 1247

BILL DESCRIPTION: Dependency Allowances

SUMMARY OF ACTUARIAL INFORMATION: Workforce Safety & Insurance, together with 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 increases the weekly dependency allowance from \$10 to \$30 per week for each dependent child and allows for the combined disability benefits and dependency allowance to exceed an injured employee's pre-injury net wage.

Reserve Level and Premium Rate Level Impact: Based on the evaluation of data provided in conjunction with the review of HB 1101, we believe that the reserve level impact for existing claims of the increase in the weekly benefit will range between \$1.2 and \$3.0 million. The anticipated premium rate level impact, or the impact on future injuries, would be less than 0.5% increase in statewide premium levels, or less than \$750,000 per year.

We did not have sufficient data to quantify the potential increase resulting from the elimination of the benefit cap. But the change is likely to generate further costs.

DATE: January 25, 2009

3. **State fiscal effect detail:** *For information shown under state fiscal effect in 1A, please:*
- A. **Revenues:** *Explain the revenue amounts. Provide detail, when appropriate, for each revenue type and fund affected and any amounts included in the executive budget.*
- B. **Expenditures:** *Explain the expenditure amounts. Provide detail, when appropriate, for each agency, line item, and fund affected and the number of FTE positions affected.*
- C. **Appropriations:** *Explain the appropriation amounts. Provide detail, when appropriate, for each agency and fund affected. Explain the relationship between the amounts shown for expenditures and appropriations. Indicate whether the appropriation is also included in the executive budget or relates to a continuing appropriation.*

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