

**FISCAL NOTE**  
**Requested by Legislative Council**  
12/26/2000

Bill/Resolution No.: HB 1153

Amendment to:

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.*

	<b>1999-2001 Biennium</b>		<b>2001-2003 Biennium</b>		<b>2003-2005 Biennium</b>	
	<b>General Fund</b>	<b>Other Funds</b>	<b>General Fund</b>	<b>Other Funds</b>	<b>General Fund</b>	<b>Other Funds</b>
<b>Revenues</b>						
<b>Expenditures</b>						
<b>Appropriations</b>						

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

	<b>1999-2001 Biennium</b>			<b>2001-2003 Biennium</b>			<b>2003-2005 Biennium</b>		
	<b>Counties</b>	<b>Cities</b>	<b>School Districts</b>	<b>Counties</b>	<b>Cities</b>	<b>School Districts</b>	<b>Counties</b>	<b>Cities</b>	<b>School Districts</b>

2. **Narrative:** *Identify the aspects of the measure which cause fiscal impact and include any comments relevant to your analysis.*

***NORTH DAKOTA WORKERS COMPENSATION***  
***2001 LEGISLATION***  
***SUMMARY OF ACTUARIAL INFORMATION***

***BILL DESCRIPTION:*** Use of leave, Claim File Confidentiality, Preferred Worker Program, and Fee Schedule

***BILL NO:*** HB 1153

***SUMMARY OF ACTUARIAL INFORMATION:*** North Dakota Workers Compensation, 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 prohibits an employer from requiring an employee to use accrued personal leave for time off from work for a work-related disability; makes a claimant's social security number non-releasable from a claim file and makes it a Class B misdemeanor for an employer to use medical information contained in the employer's injured worker's claim file for any purpose other than to administer the workers' compensation claim; provides incentives for

employers to hire injured workers in positions that will accommodate the workers' restrictions resulting from a work injury; and amends the definition of "fee schedule".

**FISCAL IMPACT:** The introduction of the Preferred Worker Program could increase administrative costs and decrease premium income from current levels. We did not attempt to derive an estimate of the likely impact of this proposed change because we do not have access to an appropriate base of historical experience to use in deriving the estimates. However, based on NDWC's past successes with other incentive programs, we anticipate that future loss cost savings could partially offset the additional costs generated by this new program.

We do not believe that the other changes that would be introduced as part of this bill would result in a material change to required rate and reserve levels.

**DATE: December 27, 2000**

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, of the effect on the biennial appropriation for each agency and fund affected and any amounts included in the executive budget. Indicate the relationship between the amounts shown for expenditures and appropriations.*

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**Phone Number:** 328-3856

**Agency:** ND Workers Compensation

**Date** 12/27/2000

**Prepared:**