

FISCAL NOTE

Requested by Legislative Council
02/09/2005

Amendment to: SB 2351

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.*

	2003-2005 Biennium		2005-2007 Biennium		2007-2009 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues				\$1,000,000		\$1,000,000
Expenditures				\$1,000,000		\$1,000,000
Appropriations				\$0		\$0

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

2003-2005 Biennium			2005-2007 Biennium			2007-2009 Biennium		
Counties	Cities	School Districts	Counties	Cities	School Districts	Counties	Cities	School Districts

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

WORKFORCE SAFETY & INSURANCE
2005 LEGISLATION
SUMMARY OF ACTUARIAL INFORMATION

BILL DESCRIPTION: Additional Benefit Payable

BILL NO: Engrossed SB 2351

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.

At the time of social security retirement eligibility, injured workers disability benefits are converted to an additional benefit payable. The proposed legislation modifies the manner in which additional benefit payable benefits are calculated. The legislation would apply to additional benefit payments made after August 1, 2005.

Rate Level Impact: It is anticipated that each injury year there will be 50 claims that will eventually evolve into an ABP payment. The average ABP payment period for each claim is estimated to be 10 years. SB 2351 would provide an increase in ABP payments. The anticipated overall premium level increase is less than one-half of one percent --or less than five hundred thousand dollars per year. This increase equates to an average of \$1,000 per ABP recipient per year for the duration of their ABP period.

DATE: February 9, 2005

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.*

see Narrative for Actuarial Impact Statement required to conform with Section 54-03-25 of the NDCC.

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.*

see Narrative for Actuarial Impact Statement required to conform with Section 54-03-25 of the NDCC.

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.*

Not applicable.

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Agency: WSI
Date Prepared: 02/09/2005