

**FISCAL NOTE**  
**Requested by Legislative Council**  
01/16/2007

Bill/Resolution No.: HB 1411

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.*

	2005-2007 Biennium		2007-2009 Biennium		2009-2011 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.*

2005-2007 Biennium			2007-2009 Biennium			2009-2011 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 provides funds for the purchase or adaptation of specially equipped motor vehicles for the catastrophically injured or in exceptional circumstance cases as determined by the organization.

**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  
2007 LEGISLATION  
SUMMARY OF ACTUARIAL INFORMATION

BILL NO: HB 1411

BILL DESCRIPTION: Purchase or adaptation of specially equipped motor vehicles

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 provides funds for the purchase or adaptation of specially equipped motor vehicles for the catastrophically injured or in exceptional circumstance cases as determined by the organization, not to exceed \$100,000 for the life of the claim.

Reserve Level Impact: It is estimated that approximately half of the 44 known open catastrophic cases within the system may be in a position to utilize this type of allowance. Based on this estimate, it is anticipated the proposal would increase required discounted reserve levels by approximately \$1 million. Should other existing claims emerge to a catastrophic or exceptional circumstance status, the estimate would increase accordingly.

Rate Level Impact: Historically, WSI incurs approximately 3 to 5 claims per year that result in a catastrophic designation. Based on this assumption, the anticipated premium rate level impact to cover the costs of future claims would be less than 0.5% increase in statewide premium levels.

DATE: January 19, 2007

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.*

<b>Name:</b>	John Halvorson	<b>Agency:</b>	WSI
<b>Phone Number:</b>	328-3760	<b>Date Prepared:</b>	01/19/2007