

**LEGISLATIVE SERVICES AGENCY  
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**FISCAL IMPACT STATEMENT**

**LS 6902**  
**BILL NUMBER:** HB 1241

**NOTE PREPARED:** Feb 27, 2003  
**BILL AMENDED:** Feb 17, 2003

**SUBJECT:** Average Weekly Wage for Worker's Compensation.

**FIRST AUTHOR:** Rep. Kuzman  
**FIRST SPONSOR:**

**BILL STATUS:** CR Adopted - 1<sup>st</sup> House

**FUNDS AFFECTED:**  GENERAL  
 DEDICATED  
 FEDERAL

**IMPACT:** State & Local

**Summary of Legislation:** (Amended) This bill modifies the average weekly wage for an employee who sustains a compensable injury or occupational disease after June 30, 2003, when the employee has returned to work after a prior period of disability.

**Effective Date:** July 1, 2003.

**Explanation of State Expenditures:** The Worker's Compensation Board does not have data on the number of people who suffer a later period of disability due to a prior injury that was compensated. The bill would increase the benefits by whatever salary adjustment the person had received since returning to work. The benefits would be subject to the maximum average weekly wage limitations.

The impact on the state is as an employer. The state is self-insured, so the impact would equal any increase in benefits at the time of the second disability.

Compensation paid to state employees, exclusive of medical benefits, totaled \$3.4 M in FY 1998, \$3.7 M in FY 1999, \$3.9 M in FY 2000, \$4.5 M in FY 2001, and \$5.3 M in FY 2002.

**Explanation of State Revenues:**

**Explanation of Local Expenditures:** The local impact would be on local units of government as an employer.

**Explanation of Local Revenues:**

**State Agencies Affected:** Worker's Compensation Board, All Agencies.

**Local Agencies Affected:** All Local Units of Government.

**Information Sources:**

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