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FISCAL IMPACT STATEMENT

LS 6902

BILL NUMBER: HB 1241

NOTE PREPARED: Apr 8, 2003

BILL AMENDED: Mar 31, 2003

SUBJECT: Average Weekly Wage for Worker's Compensation.

FIRST AUTHOR: Rep. Kuzman

FIRST SPONSOR: Sen. Harrison

BILL STATUS: As Passed - Senate

FUNDS AFFECTED: GENERAL
 DEDICATED
 FEDERAL

IMPACT: State & Local

Summary of Legislation: (Amended) This bill provides that under certain circumstances the Worker's Compensation Board has the authority to recompute the temporary total disability benefit for an employee who sustains a subsequent period of disability resulting from a prior compensable injury or occupational disease.

Effective Date: July 1, 2003.

Explanation of State Expenditures: (Revised) 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 under certain circumstances. The subsequent period of disability has to be at least two years after the later of the date of the initial compensable injury or the last date benefits were paid for the employee's initial compensable injury. The employee also has to be continuously employed by the same employer. With the limitations, the impact on the employer are probably minor. 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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