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FISCAL NOTE(Form 1)
(Office of Fiscal Analysis)
Analyst: MW 3/20/92
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Version:

BILL NUMBER: HB 5076
FILE NUMBER:
AMENDMENTS:

TITLE: "AN ACT CONCERNING CERTAIN WORKERS' COMPENSATION DEATH BENEFITS AND ADDITIONAL WORKERS' COMPENSATION BENEFITS FOR PARTIAL PERMANENT DISABILITY"

FAVORABLY REPORTED BY Labor and Public Employees

EFFECTIVE DATE: Upon Passage

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FISCAL IMPACT STATEMENT - BILL NUMBER HB 5076

STATE IMPACT	Cost and Savings (General Fund), Cost (Second Injury Fund), see explanation below
MUNICIPAL IMPACT	Cost and Savings, see explanation below
STATE AGENCY(S)	Department of Administrative Services, Various State Agencies, State Treasurer (Second Injury Fund)

EXPLANATION OF ESTIMATES:

STATE AND MUNICIPAL IMPACT: The passage of this bill would result in both additional cost and savings to the State and municipalities that cannot be determined at this time. It would also result in additional costs to the Second Injury Fund which cannot be determined at this time. In general, workers' compensation benefits are determined by the laws that are in effect on the date of the individual's injury. This bill overturns the "date of injury rule" for three types of workers' compensation benefits.

It makes the current statutory method of calculating additional workers' compensation benefits for permanent partial disability (308a benefits) apply regardless of when the injury occurred. The current method was established in 1991 by PA 91-339 which reduced the payment rate and the maximum benefit. This would result in savings for permanent partial disability benefits that cannot be determined at this time.

It also expands the retroactive applicability of a 1978 law that allowed dependents of injured workers who die of their injuries after collecting workers' compensation for more than two years, to begin collecting death benefits immediately. This would result in increased payments to dependents of employees who were injured after December 31, 1973 and died

between January 1, 1982 and April 1, 1991. The State's Second Injury Fund reimburses the employer or his insurer for the cost of retroactive benefits. The cost of these benefits cannot be determined at this time.

The bill also specifies that the current burial expense allowance of $4,000 applies to any claimant who dies on or after October 1, 1988, regardless of when the injury occurred. This would result in additional workers' compensation costs that cannot be determined at this time. However, it is anticipated that the savings resulting from the first section of the bill would equal or exceed the costs resulting from this change in the burial expense allowance.