

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 0337-02
Bill No.: Perfected SS for SB 34
Subject: Employees - Employers; Labor and Industrial Relations Department; Workers' Compensation
Type: Original
Date: February 19, 2013

Bill Summary: Would require the Division of Workers' Compensation to develop and maintain a workers' compensation claims database.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2014	FY 2015	FY 2016
Total Estimated Net Effect on General Revenue Fund	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2014	FY 2015	FY 2016
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.

This fiscal note contains 5 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2014	FY 2015	FY 2016
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2014	FY 2015	FY 2016
Total Estimated Net Effect on FTE	0	0	0

Estimated Total Net Effect on All funds expected to exceed \$100,000 savings or (cost).

Estimated Net Effect on General Revenue Fund expected to exceed \$100,000 (cost).

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2014	FY 2015	FY 2016
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Department of Labor and Industrial Relations (DOLIR)** assumed a previous version of this proposal would require the Division of Workers' Compensation to develop and maintain a workers' compensation claims database that the public can access on the Division's website to view claims filed. The proposal specified that a search could be conducted by a user using a claimant's name and social security number. The search would retrieve certain claims information, limited to the date of the claim and whether the claim is open or closed.

The Division of Workers' Compensation would update the database nightly with information from the Division's computer system so current information would be available. The initial database would contain approximately 554,000 claim records with an annual growth of approximately 13,000 records. The Division's current database covers workers' compensation claims from 1986 to the current time and Second Injury Fund claims from 1989 to the current time. Some older claims data is available but not on a consistent basis.

DOLIR officials provided an estimated cost to develop a new web system and workers' compensation claims database of approximately \$22,806, with the system to be developed by the Office of Information, Information Technology Services Division staff assigned to the Department of Labor (OA - ITSD (DOLIR)).

Officials from the **Department of Labor and Industrial Relations (DOLIR)** assume the changes between the previous version and the current version would lead to a greater cost to develop the required database, but were unable to provide an estimate of the cost at this time.

Oversight assumes OA - ITSD (DOLIR) is provided with core funding to handle a certain amount of activity each year. Oversight also assumes OA-ITSD (DOLIR) could absorb the costs related to the current version of this proposal. If multiple bills pass which require additional staffing and duties at substantial costs, OA - ITSD (DOLIR) could request funding through the appropriation process.

Officials from the **Department of Insurance, Financial Institutions, and Professional Registration** assume the proposal would not fiscally impact their agency.

<u>FISCAL IMPACT - State Government</u>	FY 2014 (10 Mo.)	FY 2015	FY 2016
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

<u>FISCAL IMPACT - Local Government</u>	FY 2014 (10 Mo.)	FY 2015	FY 2016
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT - Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

FISCAL DESCRIPTION

The proposed legislation would require the Division of Workers' Compensation to develop and maintain a workers' compensation claims database.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Department of Insurance, Financial Institutions, and Professional Registration
Department of Labor and Industrial Relations



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