

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 4670-01
Bill No.: SB 735
Subject: Insurance, General; Department of Insurance, Financial Institutions and Professional Registration; Workers' Compensation
Type: Original
Date: January 16, 2018

Bill Summary: This proposal modifies provisions relating to workers' compensation premiums.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2019	FY 2020	FY 2021
Total Estimated Net Effect on General Revenue	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2019	FY 2020	FY 2021
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.
This fiscal note contains 4 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2019	FY 2020	FY 2021
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2019	FY 2020	FY 2021
Total Estimated Net Effect on FTE	0	0	0

Estimated Net Effect (expenditures or reduced revenues) expected to exceed \$100,000 in any of the three fiscal years after implementation of the act.

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2019	FY 2020	FY 2021
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Department of Labor and Industrial Relations (DOLIR)** have requested data from National Council on Compensation Insurance (NCCI) to determine how many policies this change may affect. Depending upon how many workers' compensation policies are affected, there may be a decrease in collections for the Second Injury Fund surcharge and the Workers' Compensation Administration surcharge.

For the purpose of this fiscal estimate, the department assumes there will be a nominal decrease in the Second Injury Fund surcharge and Workers' Compensation Administration surcharge. If the data from NCCI changes the department's assumption, this change will be reflected in future fiscal estimates.

Officials from the **Department of Insurance, Financial Institutions and Professional Registration**, the **Office of Administration**, the **Department of Transportation** and the **Missouri Department of Conservation** each assume the proposal will have no fiscal impact on their respective organizations.

<u>FISCAL IMPACT - State Government</u>	FY 2019 (10 Mo.)	FY 2020	FY 2021
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

<u>FISCAL IMPACT - Local Government</u>	FY 2019 (10 Mo.)	FY 2020	FY 2021
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT - Small Business

This proposal could affect workers' compensation policies which could result in a fiscal impact to small businesses.

FISCAL DESCRIPTION

The proposed legislation appears to have no direct fiscal impact.

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
Office of Administration
Department of Higher Education
Missouri Department of Conservation

Ross Strope



Acting Director
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