

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 5373S.01I  
Bill No.: SB 1390  
Subject: Department of Labor and Industrial Relations; Workers' Compensation  
Type: Original  
Date: March 22, 2024

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Bill Summary: This proposal modifies provisions relating to workers' compensation administrative law judges.

**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>			
<b>FUND AFFECTED</b>	<b>FY 2025</b>	<b>FY 2026</b>	<b>FY 2027</b>
<b>Total Estimated Net Effect on General Revenue</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

<b>ESTIMATED NET EFFECT ON OTHER STATE FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2025</b>	<b>FY 2026</b>	<b>FY 2027</b>
<b>Total Estimated Net Effect on <u>Other</u> State Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

Numbers within parentheses: () indicate costs or losses.

<b>ESTIMATED NET EFFECT ON FEDERAL FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2025</b>	<b>FY 2026</b>	<b>FY 2027</b>
<b>Total Estimated Net Effect on <u>All</u> Federal Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

<b>ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)</b>			
<b>FUND AFFECTED</b>	<b>FY 2025</b>	<b>FY 2026</b>	<b>FY 2027</b>
<b>Total Estimated Net Effect on FTE</b>	<b>0</b>	<b>0</b>	<b>0</b>

- Estimated Net Effect (expenditures or reduced revenues) expected to exceed \$250,000 in any of the three fiscal years after implementation of the act or at full implementation of the act.
- Estimated Net Effect (savings or increased revenues) expected to exceed \$250,000 in any of the three fiscal years after implementation of the act or at full implementation of the act.

<b>ESTIMATED NET EFFECT ON LOCAL FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2025</b>	<b>FY 2026</b>	<b>FY 2027</b>
<b>Local Government</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

**FISCAL ANALYSIS**

**ASSUMPTION**

Officials from the **Department of Labor and Industrial Relations (DOLIR)** and **Office of Administration - Administrative Hearing Commission (AHC)** each assume the proposal will have no fiscal impact on their respective organizations.

Oversight notes the **DOLIR** and **AHC** have stated the proposal would not have a direct fiscal impact on their respective organizations.

In response to the similar proposal, HB 941 (2023), officials from the **Office of the State Courts Administrator (OSCA)** assumed the proposal will have no fiscal impact on their organization. **Oversight** does not have any information to the contrary. Therefore, Oversight will reflect a zero impact in the fiscal note.

**Oversight** notes changes to §287.615 remove the ties between DOLIR’s Administrative Law Judges (ALJ) salaries to salaries of associate circuit judges and associate division circuit judges, and instead states they are simply subject to appropriation. This in turn, could result in a future increase in salaries paid (if DOLIR decouples from judges salaries to pay their ALJs more) or it could result in a savings to the state if DOLIR doesn’t allow a future pay increase to their ALJs that judges are given. As any future change in ALJ salary would still be a separate decision and subject to appropriation, therefore, **Oversight** will reflect zero fiscal impact for purpose of this note.

<u>FISCAL IMPACT – State Government</u>	FY 2025 (10 Mo.)	FY 2026	FY 2027
	<b><u>\$0</u></b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>

<u>FISCAL IMPACT – Local Government</u>	FY 2025 (10 Mo.)	FY 2026	FY 2027
	<b><u>\$0</u></b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>

**FISCAL IMPACT – Small Business**

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

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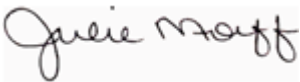
### FISCAL DESCRIPTION

The proposed legislation appears to have no direct fiscal impact.

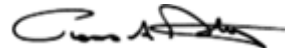
This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

### SOURCES OF INFORMATION

Department of Labor and Industrial Relations  
Office of Administration - Administrative Hearing Commission



Julie Morff  
Director  
March 22, 2024



Ross Strobe  
Assistant Director  
March 22, 2024