



**LEGISLATIVE FISCAL OFFICE**  
Fiscal Note

Fiscal Note On: **HB 492** HLS 99- 1080  
 Bill Text Version: **ENROLLED**  
 Opp Chamb Action:  
 Sub Bill For:  
 Proposed Amd:

<b>Date:</b> June 16, 1999 10:51 AM	<b>Author:</b> DEWITT
<b>Dept/Agy:</b> Labor	<b>Analyst:</b> Julie A. Samson
<b>Subject:</b> Workers' Compensation	

**WORKERS COMPENSATION**

(Constitutional Amendment) Authorizes the Louisiana Workers' Compensation Corporation to participate in any plan, pool, association, guaranty fund, or insolvency fund  
Proposed legislation is the enabling instrument for HB 493 and will be submitted to the electors of the state of Louisiana at the gubernatorial primary election to be held in 1999.  
Present constitution (Art. XII, 8.1 (F) ) prohibits the Louisiana Workers' Compensation Corporation from participating in or contributing financially to any plan, pool, association, or guaranty fund or insolvency fund.  
Proposed constitutional amendment retains present constitution but authorizes such participation or contributions upon the extinguishment of the full faith and credit guarantee of the state.

Louisiana Workers' Compensation Corporation (LWCC) does not have any involvement in state employees' worker compensation. However, according to the Department of Labor LWCC has some involvement on the local level.

**ESTIMATED FISCAL IMPACT:**

<b>EXPENDITURES</b>	<b>1999-00</b>	<b>2000-01</b>	<b>2001-02</b>	<b>2002-03</b>	<b>2003-04</b>	<b>5 YEAR TOTAL</b>
State General Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Stat. Deds./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	
<b>Annual Total</b>						

  

<b>REVENUES</b>	<b>1999-00</b>	<b>2000-01</b>	<b>2001-02</b>	<b>2002-03</b>	<b>2003-04</b>	<b>5 YEAR TOTAL</b>
State General Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Stat. Deds./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
<b>Annual Total</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

**EXPLANATION OF ESTIMATES:**

**EXPENDITURES:**

Proposed legislation would have no effect on potential state expenditures. This legislation would allow for the participation in any plan, pool, association, or guaranty or insolvency fund upon extinguishment of the full faith and credit guarantee of the state. Therefore, the state would have no potential expenditures because it would no longer have any responsibility to the LWCC.

Local government may be effected by LWCC participation in any plan, pool, association, or guaranty or insolvency fund. There are some local government entities that may have workers' compensation coverage through LWCC. If LWCC were to become insolvent and were not participating in a guaranty arrangement, local governments could be effected, but the state would not be responsible for any LWCC obligations.

Under current state statute, the full faith and credit guarantee of the state of Louisiana shall expire at the time that the United States Department of Labor approves the provision of coverage for longshoremen and harbor workers by the corporation without the state's full faith and credit guarantee, as provided in the United States Long Shore and Harbor Worker's Compensation Act.

**REVENUES:**

There is no anticipated direct effect on revenues as a result of this measure. There is no anticipated direct effect on revenues as a result of this measure.

**Senate** Dual Referral Rules

- 13.5.1 >= \$500,000 Fiscal Cost per year
- 13.5.2 >= \$500,000 Tax or Fee Change per year

**House**

- 6.8(F) >= \$500,000 Fiscal Cost per year
- 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease per year

**Gregory V. Albrecht**  
**CHIEF ECONOMIST**