LEGISLATIVE FISCAL OFFICE
Fiscal Note

Fiscal Note On: **HB 1083** HLS 12RS 2114
Bill Text Version: **ENGROSSED**
Opp. Chamb. Action:
Proposed Amd.:
Sub. Bill For.:

Date: May 17, 2012 9:19 AM
Author: PYLANT
Dept./Agy.: Workforce Commission
Subject: Employer to pay medical expenses for work release injuries
Analyst: Deborah Vivien

WORKERS COMPENSATION EG SEE FISC NOTE SG RV
Provides relative to the forfeiture of certain benefits while incarcerated

Current law provides that the workers' compensation benefits of an incarcerated person are forfeited unless a workers' compensation judge finds that a dependent (or the dependent's guardian) is eligible to receive the benefits during the incarceration period. Benefits resume after the incarceration period if the employee is still eligible.

Proposed law retains current law and provides that the employer is obligated to pay related medical expenses that would otherwise be required under the Workers' Compensation Act if an employee assigned to a work release program or a transitional work program is injured as a result of such work.

EXPENDITURES	**2012-13**	**2013-14**	**2014-15**	**2015-16**	**2016-17**	**5 -YEAR TOTAL**
State Gen. Fd.	$0	$0	$0	$0	$0	**$0**
Agy. Self-Gen.	$0	$0	$0	$0	$0	**$0**
Ded./Other	$0	$0	$0	$0	$0	**$0**
Federal Funds	$0	$0	$0	$0	$0	**$0**
Local Funds	$0	$0	$0	$0	$0	**$0**
Annual Total	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**

REVENUES	**2012-13**	**2013-14**	**2014-15**	**2015-16**	**2016-17**	**5 -YEAR TOTAL**
State Gen. Fd.	$0	$0	$0	$0	$0	**$0**
Agy. Self-Gen.	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	
Ded./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	
Annual Total						

EXPENDITURE EXPLANATION

There is no anticipated direct material effect on governmental expenditures as a result of this measure.

REVENUE EXPLANATION

Currently, if an inmate is employed in the private sector as part of a work release program, the employer must purchase workers' compensation insurance for the inmate (work release is incarcerated persons working outside of the government). However, some claims by employers of work release inmates who incur on-the-job injuries during work release employment have been declined based on the state statute asserting that incarcerated persons are not eligible for workers' compensation benefits. This bill retains the forfeiture of worker's compensation benefits while incarcerated but obligates the employer's worker's compensation insurance to pay for medical expenses if an inmate is injured while in a work release program. To the extent that injuries take place under work release situations resulting in medical expenses covered under the Worker's Compensation Act, the employer will no longer be obligated for those medical expenses (this bill requires the workers' compensation insurance to cover those expenses).

The bill primarily affects private sector employers. However, if the injured inmate is treated in a public medical or correctional facility and medical expenses are thus incurred by state or local governments, the bill may allow those affected governmental entities to file a claim with the worker's compensation insurance carrier for these medical expenses. To the extent this occurs, those governmental entities would realize these insurance reimbursements as self-generated revenue or local funds in general.

According to House Committee testimony by the Department of Corrections, there are about 3,600 inmates in the work release program at 44 work release centers.

Senate — Dual Referral Rules — House

- [ ] 13.5.1 >= $100,000 Annual Fiscal Cost {S&H}
- [ ] 13.5.2 >= $500,000 Annual Tax or Fee Change {S&H}
- [ ] 6.8(F)1 >= $500,000 Annual Fiscal Cost {S}
- [ ] 6.8(G) >= $500,000 Tax or Fee Increase or a Net Fee Decrease {S}

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