

**FISCAL NOTE**  
**LEGISLATIVE FISCAL ANALYST ESTIMATE**

Updated for amendments adopted through April 9, 2018.

<b>ESTIMATE OF FISCAL IMPACT – STATE AGENCIES</b> (See narrative for political subdivision estimates)				
	<b>FY 2018-19</b>		<b>FY 2019-20</b>	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS				
CASH FUNDS	See Below			
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS				

**Any Fiscal Notes received from state agencies and political subdivisions are attached following the Legislative Fiscal Analyst Estimate.**

This bill, as amended, would change provisions relating to lump-sum settlements. It would prohibit contractors with unpaid fines under the Employee Classification Act from contracting with the state or a political subdivision, and it would change provisions relating to a required affidavit.

The Workers' Compensation Court estimates no fiscal impact from this bill, as amended.

DAS Risk Management estimates no fiscal impact from this bill, as amended.

AM2762 is similar to LB784. That bill amends the Employee Classification Act to provide that any contractor who has unpaid fines as a result of a violation of the Employee Classification Act (ECA) shall be barred from contracting with the State of Nebraska or any political subdivision until such fines are paid.

In the fiscal note to LB784, the Department of Labor (NDOL) indicated a cost of \$500 per fiscal year for posting on the NDOL ECA website those contractors with unpaid fines. Cost would be charged against the Contractor's Registration Cash Fund. Due to the relatively small expenditure impact, no additional appropriation should be required. They also indicate a minimal amount of staff time necessary and can absorb that cost.

In the fiscal note to LB784, the Department of Administrative Services stated that there is no fiscal impact to them.

<b>ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY &amp; POLT. SUB. RESPONSE</b>			
<b>LB: 953</b>	<b>AM: 2885</b>	<b>AGENCY/POLT. SUB: Nebraska Workers Compensation Court (037)</b>	
REVIEWED BY: Joe Wilcox		DATE: 04/10/2018	PHONE: (402) 471-4178
COMMENTS: No basis to dispute the Nebraska Workers Compensation Court estimate of No Fiscal Impact to the Agency as a result of AM 2885 to LB 953.			

Please complete ALL (5) blanks in the first three lines.

**2018**

**LB<sup>(1)</sup> 953, AM2885**

**FISCAL NOTE**

State Agency OR Political Subdivision Name: <sup>(2)</sup> Nebraska Workers' Compensation Court

Prepared by: <sup>(3)</sup> Jacqueline Boesen Date Prepared: <sup>(4)</sup> April 10, 2018 Phone: <sup>(5)</sup> (402) 471-3602

**ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION**

	<u>FY 2018-19</u>		<u>FY 2019-20</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS	_____	_____	_____	_____
CASH FUNDS	_____	_____	_____	_____
FEDERAL FUNDS	_____	_____	_____	_____
OTHER FUNDS	_____	_____	_____	_____
<b>TOTAL FUNDS</b>	<b>=====</b>	<b>=====</b>	<b>=====</b>	<b>=====</b>

Explanation of Estimate:

**No fiscal impact**

**BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE**

Personal Services:

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2018-19</u>	<u>2019-20</u>
	<u>18-19</u>	<u>19-20</u>	<u>EXPENDITURES</u>	<u>EXPENDITURES</u>
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Benefits.....	_____	_____	_____	_____
Operating.....	_____	_____	_____	_____
Travel.....	_____	_____	_____	_____
Capital outlay.....	_____	_____	_____	_____
Aid.....	_____	_____	_____	_____
Capital improvements.....	_____	_____	_____	_____
<b>TOTAL.....</b>	<b>_____</b>	<b>_____</b>	<b>_____</b>	<b>_____</b>

Please complete ALL (5) blanks in the first three lines.

2018

LB<sup>(1)</sup> 953 AM 2885

FISCAL NOTE

State Agency OR Political Subdivision Name: <sup>(2)</sup> Dept. of Administrative Services (DAS) - Risk Management Division

Prepared by: <sup>(3)</sup> Shereece Dendy-Sanders Date Prepared: <sup>(4)</sup> 4/10/18 Phone: <sup>(5)</sup> 402-471-4436

**ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION**

	FY 2018-19		FY 2019-20	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS	_____	_____	_____	_____
CASH FUNDS	_____	_____	_____	_____
FEDERAL FUNDS	_____	_____	_____	_____
REVOLVING FUNDS	_____	_____	_____	_____
TOTAL FUNDS	=====	=====	=====	=====

Explanation of Estimate:

LB 953 AM2742 seeks to clean up language as it relates to lump sum settlements. Specifically, it creates a presumption that a lump-sum settlement conforms with the compensation schedule, provides for the payment of unpaid medical services, and is in the best interests of the employee or his or her dependents if an employee's attorney so elects to affirm in an application for approval of the settlement. The bill also extends this to include the employee's eligibility for Medicare and that Medicare's interests have been protected as it relates to the settlement. The proposed change also seeks to eliminate the requirement that a release be filed to discharge an employer from further liability after an order for a lump sum settlement has been approved by the Court. A release would only be required upon entry of an order of dismissal with prejudice. The amendment adds a requirement that lump sum settlements must list all unpaid (denied) medical expenses disputed by the employer. If a workers' compensation settlement denies payment of medical expense disputed by and for which compensability is denied by the employer, the settlement shall provide that the employer is not responsible for the denied medical expense. Any exclusion in an employer insurance policy that does not provide coverage if an employee is entitled to workers' compensation coverage is void if the medical bills for the employee are not paid through workers' compensation settlement.

There would be no additional duties or cost to the State to comply with the proposed legislation.

There is no fiscal impact to the Department of Administrative Services – Risk Management Division.

**BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE**

Personal Services:

POSITION TITLE	NUMBER OF POSITIONS		2018-19	2019-20
	18-19	19-20	EXPENDITURES	EXPENDITURES
Benefits.....	_____	_____	_____	_____
Operating.....	_____	_____	_____	_____
Travel.....	_____	_____	_____	_____
Capital outlay.....	_____	_____	_____	_____
Aid.....	_____	_____	_____	_____
Capital improvements.....	_____	_____	_____	_____
TOTAL.....	_____	_____	_____	_____