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PREPARED BY: Doug Nichols
DATE PREPARED: January 24, 2012
PHONE: 402-471-0052

LB 1012

Revision: 00

FISCAL NOTE

LEGISLATIVE FISCAL ANALYST ESTIMATE

| ESTIMATE OF FISCAL IMPACT – STATE AGENCIES * | | | | |
|--|--------------|---------|--------------|---------|
| | FY 2012-13 | | FY 2013-14 | |
| | EXPENDITURES | REVENUE | EXPENDITURES | REVENUE |
| GENERAL FUNDS | | | | |
| CASH FUNDS | | | | |
| FEDERAL FUNDS | | | | |
| OTHER FUNDS | | | | |
| TOTAL FUNDS | | | | |

*Does not include any impact on political subdivisions. See narrative for political subdivision estimates.

This bill would change medical treatment and temporary disability provisions under the Nebraska Workers' Compensation Act.

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

Administrative Services states that it cannot determine a fiscal impact at this time. Their response follows:

LB 1012 would create a rebuttable presumption for the employer that the employee's disability would have been reduced or his or her condition would have been improved if he or she had availed himself or herself of medical or surgical treatment. The bill also provides that when a treating physician has imposed temporary restrictions on the employee, the employer may provide work which will meet the restrictions for the employee at the employer's own company or at any other for-profit or not-for-profit organization or company. And, a rebuttable presumption that the employee is ineligible to receive compensation is created if the employee refuses such temporary work assignment.

Under the bill, if the employee has been terminated for cause or voluntarily resigns and the employer would have accommodated the temporary restrictions, the employee is not entitled to compensation.

LB 1012 further provides that an employee convicted of a misdemeanor or felony is not entitled to compensation for temporary disability during any period of incarceration. However, an incarcerated employee may collect compensation for temporary disability for injuries sustained while in the employ of a private for-profit employer or while employed in private prison industries involving a for-profit employer that deals in interstate commerce or that sell products or services to the federal government. Furthermore, a time limit on benefits otherwise provide in the Nebraska Workers' Compensation Act is not extended due to termination of temporary disability during any period of incarceration.

Administrative Services cannot speculate whether a rebuttable presumption would be applied and if applied what the resulting dollar amount would be. Additionally, it cannot be determined the number of cases LB 1013 would address and to assign a fiscal impact would be speculative.

DEPARTMENT OF ADMINISTRATIVE SERVICES

| | | | |
|--|-------------|---------|----------------|
| REVIEWED BY | Joe Wilco0x | 1/19/12 | PHONE 471-2526 |
| COMMENTS | | | |
| WORKERS COMP COURT – No basis to dispute agency analysis. | | | |
| ADMINISTRATIVE SERVICICES - No basis to dispute agency analysis. | | | |

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

LB⁽¹⁾ 1012 FISCAL NOTE

LEGISLATIVE FISCAL

State Agency OR Political Subdivision Name: (2)

Nebraska Workers' Compensation Court

Prepared by: (3) Glenn Morton

Date Prepared: (4) 01/19/2012

Phone: (5) 402-471-3602

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

| | FY 2012-2013 | | FY 2013-2014 | |
|---------------|--------------|---------|--------------|---------|
| | EXPENDITURES | REVENUE | EXPENDITURES | REVENUE |
| GENERAL FUNDS | _____ | _____ | _____ | _____ |
| CASH FUNDS | _____ | _____ | _____ | _____ |
| FEDERAL FUNDS | _____ | _____ | _____ | _____ |
| OTHER FUNDS | _____ | _____ | _____ | _____ |
| TOTAL FUNDS | ===== | ===== | ===== | ===== |

Return by date specified or 72 hours prior to public hearing, whichever is earlier.
Explanation of Estimate:

No Fiscal Impact

MAJOR OBJECTS OF EXPENDITURE

Personal Services:

| POSITION TITLE | NUMBER OF POSITIONS | | 2012-2013 | 2013-2014 |
|---------------------------|---------------------|-------|--------------|--------------|
| | 12-13 | 13-14 | EXPENDITURES | EXPENDITURES |
| _____ | _____ | _____ | _____ | _____ |
| _____ | _____ | _____ | _____ | _____ |
| Benefits..... | _____ | _____ | _____ | _____ |
| Operating..... | _____ | _____ | _____ | _____ |
| Travel..... | _____ | _____ | _____ | _____ |
| Capital outlay..... | _____ | _____ | _____ | _____ |
| Aid..... | _____ | _____ | _____ | _____ |
| Capital improvements..... | _____ | _____ | _____ | _____ |
| TOTAL..... | _____ | _____ | _____ | _____ |

2012 Legislative Bill Proposal Fiscal Note

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LEGISLATIVE FISCAL

Bill #: 1012

State Agency: Administrative Services

Prepared by: Shannon Anderson

Date Prepared: 1/19/12

Phone: 402-471-4436

Approved by:

Estimate of Fiscal Impact – State Agencies

| | FY 2012-13 | | FY 2013-14 | |
|--------------------|--------------|---------|--------------|---------|
| | Expenditures | Revenue | Expenditures | Revenue |
| General Funds | | | | |
| Cash Funds | | | | |
| Federal Funds | | | | |
| Other Funds | | | | |
| Total Funds | 0 | | 0 | |

Explanation of Estimate:

LB 1012 would create a rebuttable presumption for the employer that the employee's disability would have been reduced or his or her condition would have been improved if he or she had availed himself or herself of medical or surgical treatment. The bill also provides that when a treating physician has imposed temporary restrictions on the employee, the employer may provide work which will meet the restrictions for the employee at the employer's own company or at any other for-profit or not-for-profit organization or company. And, a rebuttable presumption that the employee is ineligible to receive compensation is created if the employee refuses such temporary work assignment.

Under the bill, if the employee has been terminated for cause or voluntarily resigns and the employer would have accommodated the temporary restrictions, the employee is not entitled to compensation.

LB 1012 further provides that an employee convicted of a misdemeanor or felony is not entitled to compensation for temporary disability during any period of incarceration. However, an inmate may collect compensation for temporary disability for injuries sustained while in the employ of a private for-profit employer or while employed in private prison industries involving a for-profit employer that deals in interstate commerce or that sell products or services to the federal government. Furthermore, a time limit on benefits otherwise provided in the Nebraska Workers' Compensation Act is not extended due to termination of temporary disability during any period of incarceration.

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Major Objects of Expenditure

Personal Services:

| Position Title: | Number of Positions | | 2012-13 | 2013-14 |
|----------------------|---------------------|-------|--------------|--------------|
| | 12-13 | 13-14 | Expenditures | Expenditures |
| | | | | |
| Benefits | | | | |
| Operating | | | | |
| Travel | | | | |
| Capital Outlay | | | | |
| Aid | | | | |
| Capital Improvements | | | | |
| TOTAL | | | | |