

**FISCAL NOTE**  
 LEGISLATIVE FISCAL ANALYST ESTIMATE

<b>ESTIMATE OF FISCAL IMPACT – STATE AGENCIES</b> (See narrative for political subdivision estimates)				
	<b>FY 2013-14</b>		<b>FY 2014-15</b>	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS				
CASH FUNDS				
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 would change provisions of the Nebraska Workers' Compensation Act.

DAS - Risk Management states that the fiscal impact is unknown for this bill. See their response below for details.

The City of Lincoln states that the bill will significantly reduce their workers' compensation costs, but at this time cannot provide a cost savings estimate. See their response below for details.

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

<b>ADMINISTRATIVE SERVICES-STATE BUDGET DIVISION: REVIEW OF AGENCY &amp; POLT. SUB. RESPONSES</b>			
LB: <b>LB 307</b>	AM:	AGENCY/POLT. SUB: <b>Department of Administrative Services (065)</b>	
REVIEWED BY: Joe Wilcox		DATE: January 28 <sup>th</sup> , 2013	PHONE: <a href="tel:4024714178">(402) 471-4178</a>
COMMENTS: DAS provides certain estimates of fiscal impact, but ultimately concludes the final impact is unknown at this time. No basis to dispute agency analysis for the Department of Administrative Services.			

<b>ADMINISTRATIVE SERVICES-STATE BUDGET DIVISION: REVIEW OF AGENCY &amp; POLT. SUB. RESPONSES</b>			
LB: <b>LB 307</b>	AM:	AGENCY/POLT. SUB: <b>Workers' Compensation Court (037)</b>	
REVIEWED BY: Joe Wilcox		DATE: January 22 <sup>nd</sup> , 2013	PHONE: <a href="tel:4024714178">(402) 471-4178</a>
COMMENTS: No basis to dispute agency analysis of No Fiscal Impact on the Workers' Compensation Court.			

<b>ADMINISTRATIVE SERVICES-STATE BUDGET DIVISION: REVIEW OF AGENCY &amp; POLT. SUB. RESPONSES</b>			
LB: <b>LB 307</b>	AM:	AGENCY/POLT. SUB: <b>City of Lincoln</b>	
REVIEWED BY: Joe Wilcox		DATE: February 4 <sup>th</sup> , 2013	PHONE: <a href="tel:4024714178">(402) 471-4178</a>
COMMENTS: The City of Lincoln identifies that LB 307 will likely decrease its Workers' Compensation costs, but makes no estimate of fiscal impact. No basis to affirm or dispute agency analysis.			

# 2013 Legislative Bill Proposal Fiscal Note

**Bill #: 307**

**State Agency:** Administrative Services - Risk

**Prepared by:** Shannon Anderson

**Date Prepared:** January 22, 2013

**Phone:** 402-471-4436

## Estimate of Fiscal Impact – State Agencies

	FY 2013-14		FY 2014-15	
	Expenditures	Revenue	Expenditures	Revenue
General Funds				
Cash Funds				
Federal Funds				
Other Funds				
Total Funds				

**Explanation of Estimate:** LB 307 would do several things. First, it would create a rebuttable presumption that, when an employee has refused or neglected to avail him/herself of medical or surgical treatment or of a physical, medical or vocational rehabilitation program including a refusal to be evaluated, the employee's disability would have been reduced or condition improved if compliant. Prior to LB 307, such refusal would have triggered an automatic suspension, reduction or limitation of benefits. **AS Risk Management is unable to determine if future incidents of this type will occur, therefore fiscal impact is unknown for this provision.**

Secondly, LB 307 would allow the employer to provide return to work opportunities at either the employer's place of business or at any other for profit or not-for-profit organization or company. A rebuttable presumption is created if the employee refuses such temporary employment and the employee is ineligible to receive benefits. **AS Risk Management is unable to determine if future incidents of this type will occur, therefore fiscal impact is unknown for this provision.**

Thirdly, LB 307 would provide that an employee convicted of a misdemeanor or felony is not entitled to compensation for temporary disability during any period of incarceration. The State does not have currently any employee(s) meeting such criteria and is not able to determine if future employees would meet the criteria. **Therefore fiscal impact is unknown for this provision.**

Fourth, LB 307 expands the modification of awards to self-insured plans and would allow a modification due to disability rather than incapacity. Additionally, the bill would provide for capturing funds from either party in the event of underpayment or overpayment. **It cannot be determined if any future claims would result in modification to awards, thus fiscal impact is unknown for this provision.**

Finally, LB 307 provides that the Act shall be fairly and impartially construed and that the Act should not be presumed in favor of one party over another and shall not be liberally construed in order to fulfill any beneficent purposes. **This provision has no fiscal impact.**

## Major Objects of Expenditure

### Personal Services:

Position Title:	Number of Positions			FY 2013-14	FY 2014-15
	13-14	14-15		Expenditures	Expenditures
Benefits					
Operating					
Travel					
Capital Outlay					
Aid					
Capital Improvements					
<b>TOTAL</b>					

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

**2013**

**LB<sup>(1)</sup> 307 FISCAL NOTE**

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

Prepared by: <sup>(3)</sup> Glenn Morton Date Prepared: <sup>(4)</sup> 01/18/2013 Phone: <sup>(5)</sup> 402-471-3602

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

	<u>FY 2013-14</u>		<u>FY 2014-15</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
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:

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2013-14</u>	<u>2014-15</u>
	<u>13-14</u>	<u>14-15</u>	<u>EXPENDITURES</u>	<u>EXPENDITURES</u>
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Benefits.....	_____	_____	_____	_____
Operating.....	_____	_____	_____	_____
Travel.....	_____	_____	_____	_____
Capital outlay.....	_____	_____	_____	_____
Aid.....	_____	_____	_____	_____
Capital improvements.....	_____	_____	_____	_____
TOTAL.....	_____	_____	_____	_____

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

**2013**

**LB<sup>(1)</sup> 307 FISCAL NOTE**

State Agency OR Political Subdivision Name: <sup>(2)</sup> City of Lincoln

Prepared by: <sup>(3)</sup> Jan Bolin Date Prepared: <sup>(4)</sup> 2/1/2013 Phone: <sup>(5)</sup> 402-441-8306

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

	<u>FY 2013-14</u>		<u>FY 2014-15</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
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:**

We anticipate this bill will significantly reduce our workers' compensation costs, as it provides for a number of circumstances in which a rebuttable presumption is created that the employee is ineligible for benefits. We have not yet had an opportunity to thoroughly review our claims history to determine the bill's effect, and therefore cannot provide an accurate cost savings estimate at this point.

**MAJOR OBJECTS OF EXPENDITURE**

**Personal Services:**

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2013-14</u>	<u>2014-15</u>
	<u>13-14</u>	<u>14-15</u>	<u>EXPENDITURES</u>	<u>EXPENDITURES</u>
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Benefits.....	_____	_____	_____	_____
Operating.....	_____	_____	_____	_____
Travel.....	_____	_____	_____	_____
Capital outlay.....	_____	_____	_____	_____
Aid.....	_____	_____	_____	_____
Capital improvements.....	_____	_____	_____	_____
TOTAL.....	_____	_____	_____	_____