

LEGISLATIVE FISCAL OFFICE
Fiscal Note



Fiscal Note On: **SB 198** SLS 14RS 590

Bill Text Version: **REENGROSSED**

Opp. Chamb. Action:

Proposed Amd.:

Sub. Bill For.:

Date: April 20, 2014 2:41 PM	Author: RISER
Dept./Agy.: Workforce Commission	Analyst: Patrice Thomas
Subject: Mandatory Workers' Compensation Coverage	

WORKERS' COMPENSATION

RE NO IMPACT See Note

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Ensures compliance with requirements for mandatory workers' compensation coverage. (8/1/14)

Proposed law provides that workers' compensation insurer shall file notice of coverage no later than 30 days after effective date of coverage with the National Council on Compensation Insurance instead of the Louisiana Workforce Commission (LWC), Office of Workers' Compensation. Proposed law provides that any penalties for failure to secure workers' compensation shall be liable for a civil penalty assessed by a workers' compensation judge instead of LWC. Proposed law provides for a civil penalty assessed by a workers' compensation judge if any employer fails to provide proof of compliance within 15 days of any notice. In addition to civil penalties, proposed law provides that the employer must provide proof of coverage within 45 days. Proposed law provides any appeal may be made in the appropriate circuit court of appeal. If an employer is being investigated for failure to provide coverage, employer must show proof of coverage within 15 days or the LWC can set the matter for hearing with the workers' compensation judge. Proposed law if effective 08/01/2014.

EXPENDITURES	2014-15	2015-16	2016-17	2017-18	2018-19	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	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

REVENUES	2014-15	2015-16	2016-17	2017-18	2018-19	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	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

EXPENDITURE EXPLANATION

There is no anticipated direct material effect on governmental expenditures as a result of this measure. Instead of the director of the Office of Workers' Compensation within the Louisiana Workforce Commission (LWC), the proposed legislation provides that a workers' compensation judge shall assess any civil penalties for failure to acquire, comply or show proof of workers' compensation insurance.

REVENUE EXPLANATION

There is no anticipated direct material effect on governmental revenues as a result of this measure. The proposed legislation does not change any civil penalties. Any civil penalties assessed will still be deposited in the Office of Workers' Compensation Administrative Fund.

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| <u>Senate</u> | <u>Dual Referral Rules</u> | <u>House</u> | <input type="checkbox"/> 6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S} |
| <input type="checkbox"/> 13.5.1 >= \$100,000 Annual Fiscal Cost {S&H} | | | <input type="checkbox"/> 6.8(F)(2) >= \$500,000 State Rev. Reduc. {H & S} |
| <input type="checkbox"/> 13.5.2 >= \$500,000 Annual Tax or Fee Change {S&H} | | | <input type="checkbox"/> 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S} |

Evan Brasseaux
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Staff Director