

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 1400-02
Bill No.: HCS for HB 725
Subject: Workers' Compensation; Children and Minors
Type: Original
Date: April 20, 2017

Bill Summary: This proposal modifies the definition of dependent for purposes of workers' compensation claims.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2018	FY 2019	FY 2020
Total Estimated Net Effect on General Revenue	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2018	FY 2019	FY 2020
Total Estimated Net Effect on <u>Other</u> State Funds	\$0)	\$0	\$0

Numbers within parentheses: () indicate costs or losses.

This fiscal note contains 6 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2018	FY 2019	FY 2020
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2018	FY 2019	FY 2020
Total Estimated Net Effect on FTE	0	0	0

Estimated Net Effect (expenditures or reduced revenues) expected to exceed \$100,000 in any of the three fiscal years after implementation of the act.

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2018	FY 2019	FY 2020
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Officials at the **Department of Conservation (MDC)** assume this proposal would have a fiscal impact on their organization estimated at less than \$100,000 annually.

Oversight will not show an impact to MDC because of the ambiguity of their response and failure to provide support for the estimate.

Officials at the **Office of Administration - General Services**, the **Department of Labor and Industrial Relations**, and the **Department of Transportation** each assume this proposal will not have a fiscal impact on their respective organizations.

In response to a previous version of this proposal (1400-01), officials at the **Department of Insurance, Financial Institutions and Professional Registration** and the **Office of Administration - Personnel** each assumed the proposal would not have a fiscal impact on their organization.

Officials at the **City of Kansas City** assume this proposal would have a positive fiscal impact to their organization which is an indeterminate amount.

Officials at **Callaway County** and **St. Louis County** each assume this proposal will not have a fiscal impact on their respective organizations.

Oversight will not show a fiscal impact to local government or political subdivisions based on the responses received.

Officials at the **University of Central Missouri (UCM)** assume this proposal could have a negative fiscal impact on their organization estimated at \$106,924 per instance and based on the following information:

Based on the institution's current average annual salary (as of 1/6/17) the UCM average weekly rate is \$685.41. Under this fiscal note, this amount would be payable to any appropriate dependent.

For a spouse that does not remarry, the benefit would continue until their death unless there are other dependents that would be eligible. This is the most difficult of categories to create an estimated fiscal impact for.

For a spouse that remarries (no other eligible dependents), the maximum potential fiscal impact would be the weekly benefit plus the lump sum amount for 2 years post remarried date. Assuming remarriage within 1 year of employee death, the maximum fiscal impact would be \$106,924 (estimated).

ASSUMPTION (continued)

Dependent children would be entitled to the death benefit up to a maximum age of 21. Assumptions under this area are hard to forecast as it depends on dependent age, disability, and/or enrollment in school. Additionally, dependent benefits would be divided among all eligible dependents based on the language in the note.

Officials at the **Missouri State University**, the **Missouri Western State University**, the **State Technical College of Missouri** and the **University of Central Missouri** each assume this proposal will not have a fiscal impact on their respective organizations.

In response to a previous version of this proposal (1400-01), officials at the **University of Missouri** assumed the proposal would not have a fiscal impact on their organization.

Oversight will not show a fiscal impact to colleges and universities due to the receipt of one response that indicated a potential impact to their organization and based on the many variables contained in this proposal which make it difficult to provide an accurate estimated dollar amount.

Officials at the school district of **Forsyth R-III** assume this proposal will not have a fiscal impact on their organization.

In response to a previous version of this proposal (1400-01), officials at the school districts of **Kirkville R-III** and **West Plains R-VII** each assumed the proposal would not have a fiscal impact on their respective organizations.

Officials at the following cities: Ashland, Belton, Bernie, Bonne Terre, Boonville, California, Cape Girardeau, Clayton, Columbia, Dardenne Prairie, Des Peres, Excelsior Springs, Florissant, Frontenac, Fulton, Gladstone, Grandview, Harrisonville, Independence, Jefferson City, Joplin, Kearney, Knob Noster, Ladue, Lake Ozark, Lee Summit, Liberty, Louisiana, Maryland Heights, Maryville, Mexico, Monett, Neosho, O'Fallon, Pacific, Peculiar, Pineville, Popular Bluff, Raytown, Republic, Richmond, Rolla, Sedalia, Springfield, St. Charles, St. Joseph, St. Louis, St. Robert, Sugar Creek, Sullivan, Warrensburg, Warrenton, Webb City, Weldon Spring and West Plains did not respond to **Oversight's** request for fiscal impact.

Officials at the following counties: Andrew, Atchison, Audrain, Barry, Bollinger, Boone, Buchanan, Camden, Cape Girardeau, Carroll, Cass, Christian, Clay, Cole, Cooper, DeKalb, Dent, Franklin, Greene, Holt, Jackson, Jefferson, Johnson, Knox, Laclede, Lawrence, Lincoln, Maries, Marion, McDonald, Miller, Mississippi, Moniteau, Monroe, Montgomery, New Madrid, Nodaway, Ozark, Perry, Pettis, Phelps, Platte, Pulaski, Scott, Shelby, St. Charles, St. Francois, Taney, Warren, Wayne and Worth did not respond to **Oversight's** request for fiscal impact.

ASSUMPTION (continued)

Officials at the following colleges: Crowder, East Central Community College, Harris-Stowe, Jefferson College, Lincoln University, Metropolitan Community College, Moberly Area Community College, Missouri Southern State University, Northwest Missouri State University, Southeast Missouri State University, State Fair Community College, St. Charles Community College, St. Louis Community College, Three Rivers Community College, and the Truman State University did not respond to **Oversight's** request for fiscal impact.

Officials at the following school districts: Arcadia Valley R-2, Aurora R-8, Avilla R-13, Bakersfield, Belton, Benton County R-2, Bismark R-5, Bloomfield R-14, Blue Springs, Bolivar R-I, Bowling Green R-1, Branson, Brentwood, Bronaugh R-7, Campbell R-2, Carrollton R-7, Caruthersville, Cassville R-4, Central R-III, Chilhowee R-4, Chillicothe R-II, Clarkton C-4, Cole R-I, Columbia, Concordia R-2, Crawford County R-1, Crocker R-II, Delta C-7, East Carter R-2, East Newton R-6, Eldon R-I, Everton R-III, Fair Grove, Fair Play, Fayette R-3, Fox C-6, Fredericktown R-I, Fulton, Grain Valley, Hancock Place, Hannibal, Harrisonburg R-8, Harrisonville, Hillsboro R-3, Hollister R-5, Humansville R-4, Hurley R-1, Independence, Jefferson City, Kansas City, Kearney R-1, Kennett #39, King City R-1, Kingston 42, Kirbyville R-VI, Laclede County R-1, Laredo R-7, Lee Summit, Leeton R-10, Lewis County C-1, Lindbergh, Lonedell R-14, Macon County R-1, Macon County R-4, Malta Bend, Mehville, Mexico, Middle Grove C-1, Midway R-1, Milan C-2, Moberly, Monroe City R-I, Morgan County R-2, New Haven, Nixa, North St. Francois Co. R-1, Northeast Nodaway R-5, Odessa R-VII, Oregon-Howell R-III, Orrick R-11, Osage County R-II, Osborn R-O, Parkway, Pattonville, Pettis County R-12, Pierce City, Plato R-5, Princeton R-5, Raymore-Peculiar R-III, Raytown, Reeds Springs R-IV, Renick R-5, Richland R-1, Riverview Gardens, Salisbury R-4, Sarcoxie R-2, Scotland County R-I, Sedalia, Seymour R-2, Shelby County R-4, Shell Knob #78, Sikeston, Silex, Slater, Smithville R-2, Special School District of St. Louis County, Spickard R-II, Springfield, St Joseph, St Louis, St. Charles, St. Elizabeth R-4, Sullivan, Tipton R-6, Valley R-6, Verona R-7, Warren County R-3, Warrensburg R-6, Webster Groves, Westview C-6 and the Wright City R-2 School District did not respond to **Oversight's** request for fiscal impact.

<u>FISCAL IMPACT - State Government</u>	FY 2018 (10 Mo.)	FY 2019	FY 2020
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	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
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<u>FISCAL IMPACT - Local Government</u>	FY 2018 (10 Mo.)	FY 2019	FY 2020
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	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
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FISCAL IMPACT - Small Business

A direct fiscal impact to small businesses could be expected as a result of this proposal if there was a required payment of benefits to a “dependent”.

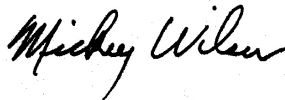
FISCAL DESCRIPTION

The proposed legislation appears to have no direct fiscal impact.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Office of Administration - General Services
Department of Insurance, Financial Institutions and Professional Registration
Department of Labor and Industrial Relations
Office of Administration - Personnel
Department of Transportation
City of Kansas City
Callaway County
St. Louis County
University of Central Missouri
Missouri State University
Missouri Western State University
State Technical College of Missouri
University of Missouri
Forsyth R-III
Kirksville R-III
West Plains R-VII



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Director
April 20, 2017

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Assistant Director
April 20, 2017