

Fiscal Estimate Narratives

DOJ 2/10/2014

LRB Number	13-3729/2	Introduction Number	AB-0711	Estimate Type	Original
Description Various changes to the worker's compensation law, granting rule-making authority, and making an appropriation					

Assumptions Used in Arriving at Fiscal Estimate

Under s. 102.125 the Department of Workforce Development (DWD) may require an insurer or self-insured employer to investigate an allegedly false or fraudulent worker's compensation claim. Based on the investigation, if DWD has a reasonable basis to believe that a violation has occurred, DWD shall refer the results of the investigation to the appropriate District Attorney.

Under 2013 Assembly Bill 711, DWD may request the Department of Justice (DOJ) to assist DWD in an investigation of a worker's compensation claim and shall refer the results of the investigation to DOJ or the appropriate District Attorney. The authorized FTE positions for DOJ are increased by 1.0 PR-S position, to be funded from the DOJ appropriation under 20.455(2)(k), for the purpose of investigating and prosecuting fraudulent activities related to worker's compensation.

Under current law, the worker's compensation operations fund pays for the administration of the worker's compensation program by DWD. Section 1 of AB 711 amends s. 20.445(1)(ra) to allow the worker's compensation operations fund to pay for assistance to DOJ in investigating and prosecuting fraudulent activity related to worker's compensation. Section 1 does not allocate a specified amount of funding to a specified DOJ appropriation. The bill is not clear that the worker's compensation operations fund will pay for the 1.0 PR-S position created in DOJ. DOJ cannot absorb the costs of the position within its existing budget.

Furthermore, DOJ does not know how many referrals to investigate and prosecute fraudulent activity related to worker's compensation it will receive from DWD. If the number of referrals is significant, DOJ may require more than 1 FTE position and associated funding.

Long-Range Fiscal Implications