

Fiscal Estimate - 2007 Session

Original Updated Corrected Supplemental

LRB Number 07-1228/1	Introduction Number AB-0288
Description An award to an injured employee's attorney who takes any action to collect public assistance reimbursement in a worker's compensation proceeding	
Fiscal Effect	
State:	
<input type="checkbox"/> No State Fiscal Effect <input type="checkbox"/> Indeterminate <input type="checkbox"/> Increase Existing Appropriations <input type="checkbox"/> Increase Existing Revenues <input checked="" type="checkbox"/> Increase Costs - May be possible to absorb within agency's budget <input type="checkbox"/> Decrease Existing Appropriations <input type="checkbox"/> Decrease Existing Revenues <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Create New Appropriations <input type="checkbox"/> Decrease Costs	
Local:	
<input type="checkbox"/> No Local Government Costs <input type="checkbox"/> Indeterminate 1. <input type="checkbox"/> Increase Costs 3. <input type="checkbox"/> Increase Revenue <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory 2. <input type="checkbox"/> Decrease Costs 4. <input checked="" type="checkbox"/> Decrease Revenue <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory <input type="checkbox"/> Permissive <input checked="" type="checkbox"/> Mandatory	
5. Types of Local Government Units Affected <input type="checkbox"/> Towns <input type="checkbox"/> Village <input type="checkbox"/> Cities <input checked="" type="checkbox"/> Counties <input type="checkbox"/> Others <input type="checkbox"/> School Districts <input type="checkbox"/> WTCS Districts	
Fund Sources Affected	
<input type="checkbox"/> GPR <input type="checkbox"/> FED <input type="checkbox"/> PRO <input type="checkbox"/> PRS <input checked="" type="checkbox"/> SEG <input type="checkbox"/> SEGS 20.445(1)(ra)	
Affected Ch. 20 Appropriations	
Agency/Prepared By	Authorized Signature
DWD/ John Conway (608) 266-0337	JoAnna Richard (608) 267-3200
Date	
5/2/2007	

Fiscal Estimate Narratives

DWD 5/2/2007

LRB Number	07-1228/1	Introduction Number	AB-0288	Estimate Type	Original
Description An award to an injured employee's attorney who takes any action to collect public assistance reimbursement in a worker's compensation proceeding					

Assumptions Used in Arriving at Fiscal Estimate

If enacted this bill will enable worker's compensation (WC) attorneys who recoup funds from WC payers (i.e., insurance companies and self-insured employers) to reimburse governmental agencies for public assistance payments made in lieu of WC payments, to retain at least 15% and up to 30% of the recouped funds for their attorney fees.

It is anticipated that this bill will impact, initially, a limited number of WC cases where there may be disputes over the amount of funds to be retained by the attorney. In such cases, a hearing may be required which will create increased costs to the Worker's Compensation Division. In the short-run, it is believed that initially the increased caseload can be absorbed in the WC budget. However, in the long-term, this could increase the workload of administrative law judges within the division.

Counties that receive reimbursements for public assistance payments to WC claimants will receive between a 15% to 30% reduction in revenue from reimbursements.

Long-Range Fiscal Implications

As indicated above, the bill could cause a potential increase in the number of hearings held by administrative law judges. It is assumed that, in the long-term, the increase will add no more than fifty (50) additional hearings per year. This represents approximately 0.25 of an FTE administrative law judge. Assuming approximately \$100,000 (salary, fringe, and overhead) for an FTE administrative law judge, additional costs to the agency for this bill is estimated to be about \$25,000.

Fiscal Estimate Worksheet - 2007 Session

Detailed Estimate of Annual Fiscal Effect

Original
 Updated
 Corrected
 Supplemental

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Description An award to an injured employee's attorney who takes any action to collect public assistance reimbursement in a worker's compensation proceeding			
I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect):			
II. Annualized Costs:		Annualized Fiscal Impact on funds from:	
		Increased Costs	Decreased Costs
A. State Costs by Category			
State Operations - Salaries and Fringes	\$23,700		\$
(FTE Position Changes)	(0.2 FTE)		
State Operations - Other Costs	2,500		
Local Assistance			
Aids to Individuals or Organizations			
TOTAL State Costs by Category	\$26,200		\$
B. State Costs by Source of Funds			
GPR			
FED			
PRO/PRS			
SEG/SEG-S (20.445(1)(ra))	26,200		
III. State Revenues - Complete this only when proposal will increase or decrease state revenues (e.g., tax increase, decrease in license fee, ets.)			
	Increased Rev		Decreased Rev
GPR Taxes	\$		\$
GPR Earned			
FED			
PRO/PRS			
SEG/SEG-S			
TOTAL State Revenues	\$		\$
NET ANNUALIZED FISCAL IMPACT			
	State		Local
NET CHANGE IN COSTS	\$26,200		\$
NET CHANGE IN REVENUE	\$		\$
Agency/Prepared By		Authorized Signature	Date
DWD/ John Conway (608) 266-0337		JoAnna Richard (608) 267-3200	5/2/2007