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## DIGEST

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HB 556 Reengrossed

2024 Regular Session

Glorioso

**Abstract:** Provides for the calculation and determination of an annual cost-of-living adjustment for permanent total disability benefits.

Proposed law provides that for any compensable injury occurring on or after Aug. 1, 2024, where an employee has received permanent total disability benefits for a period greater than three consecutive years, the injured employee shall be entitled to an annual adjustment in the weekly compensation benefit rate for permanent total benefits.

Proposed law provides that the weekly compensation benefit rate shall be equal to the percentage by which the maximum weekly compensation rate calculated pursuant to present law (R.S. 23:1202) increases. Proposed law further provides that the rate shall not be less than zero percent and not exceed a maximum annual increase of 5%.

Proposed law provides that the adjusted weekly benefits shall not exceed the maximum weekly rate as updated and provided for in present law (R.S. 23:1202).

Proposed law requires the assistant secretary to publish the percentage amount of any increase or decrease of the weekly compensation benefit rate no later than Sept. 1<sup>st</sup> of each year.

Proposed law provides that the lump sum settlements provided for in present law (R.S. 23:1274) shall be determined based on the compensation rate in effect on the date the settlement is filed with the assistant secretary. Proposed law further provides that the amounts payable as compensation due to the employee or his dependents shall not include any potential future annual adjustments.

(Adds R.S. 23:1221(2)(f))

### Summary of Amendments Adopted by House

The Committee Amendments Proposed by House Committee on Labor and Industrial Relations to the original bill:

1. Remove the definition of consumer price index and cost-of-living adjustment from the bill.
2. Change the calculated percentage of the injured employee's average weekly wage at the

time of injury from not exceeding 66 2/3% to not exceeding 100%.

3. Revise provisions of proposed law regarding the calculation of the percentage of an injured employee's average weekly wage.
4. Revise provisions of proposed law regarding the calculation of the adjusted average weekly wage of an injured employee.
5. Change the month from August to September for when an injured employee receives an adjustment in their weekly compensation rate.
6. Clarify that the adjustment in weekly benefits is only for injuries that result in permanent total disability.
7. Make technical changes.

The House Floor Amendments to the engrossed bill:

1. Provide for the calculation and determination of an annual cost-of-living adjustment for permanent total disability benefits.
2. Make technical changes.