

**LEGISLATIVE FISCAL OFFICE**  
**Fiscal Note**



Fiscal Note On: **SB 20** SLS 182ES 65  
 Bill Text Version: **ENGROSSED**  
 Opp. Chamb. Action:  
 Proposed Amd.:  
 Sub. Bill For.:

<b>Date:</b> May 29, 2018 9:37 AM	<b>Author:</b> RISER AND HEWITT
<b>Dept./Agy.:</b> Statewide	<b>Analyst:</b> Alan M. Boxberger
<b>Subject:</b> Relative to the Workers' Compensation Administrative Fund	

FUNDS/FUNDING EG SEE FISC NOTE SD RV See Note Page 1 of 1  
 Provides relative to the Worker's Compensation Administrative Fund

Present law provides for the dedication, use, investment and appropriation of monies in the Workers' Compensation Administrative Fund. SB 400 of the 2018 Regular Session revised the Fund by changing it from a Fund to an Account, and provided that monies in the Account shall be considered SGR available for annual appropriation by the legislature.

Proposed law reverses the changes made to the Workers' Compensation Administrative Fund in SB 400 of the 2018 Regular Session, retaining its status as a statutorily dedicated fund rather than self-generated revenue.

<b>EXPENDITURES</b>	<b>2018-19</b>	<b>2019-20</b>	<b>2020-21</b>	<b>2021-22</b>	<b>2022-23</b>	<b>5 -YEAR TOTAL</b>
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Ded./Other	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Federal Funds	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Local Funds	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<b>\$0</b>
<b>Annual Total</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

  

<b>REVENUES</b>	<b>2018-19</b>	<b>2019-20</b>	<b>2020-21</b>	<b>2021-22</b>	<b>2022-23</b>	<b>5 -YEAR TOTAL</b>
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Agy. Self-Gen.	\$0	\$0	(\$16,500,000)	(\$16,500,000)	(\$16,500,000)	<b>(\$49,500,000)</b>
Ded./Other	\$0	\$0	\$16,500,000	\$16,500,000	\$16,500,000	<b>\$49,500,000</b>
Federal Funds	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Local Funds	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<b>\$0</b>
<b>Annual Total</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

**EXPENDITURE EXPLANATION**

Proposed law reverses a change brought about by SB 400 of the 2018 Regular Session of the Louisiana Legislature, which reclassified the Workers' Compensation Administrative Fund from a statutory dedication to self-generated revenue. Enactment of proposed law will result in the Fund maintaining its status as a statutory dedication and appropriations from monies deposited into the Fund will be made as statutory dedications instead of SGR. Allowable expenditures from the fund are not impacted.

**REVENUE EXPLANATION**

Proposed law does not modify revenue collections deposited to the state, but will reclassify monies deposited into the Workers' Compensation Administrative Fund from SGR to statutory dedication. This action reverses a measure included in SB 400 of the 2018 Regular Session of the Louisiana Legislature changing the Fund to an Account and designating such deposits as SGR, removing the statutory dedication.

*NOTE 1: The dollar totals indicated in FY 21 through 23 above reflect current revenue projections for FY 19 by the REC and are included for informational purposes only. Statutory dedication revenue projections beyond FY 19 are not available at this time.*

*NOTE 2: Monies deposited into the Workers' Compensation Administrative Fund are derived from an annual report submitted by all insurance companies writing compensation insurance in this state and self-insurers to the office of worker's compensation administration. An assessment is determined based on a percentage of the amount reported in the annual report. This assessment is collected and deposited to the Bond Security and Redemption Fund (BSRF). After the BSRF requirements are met, the monies are deposited into this Fund. The fund is used for the sole purpose of funding the administrative expenses of the office of workers' compensation administration of the Louisiana Workforce Commission as set forth in R.S. 23:1291 et seq. Funds are withdrawn only pursuant to legislative appropriation and are subject to budgetary control as provided by law. All remaining and unencumbered balances at the end of the fiscal year remain in this fund.*

Senate Dual Referral Rules  
 13.5.1 >= \$100,000 Annual Fiscal Cost {S&H}  
 13.5.2 >= \$500,000 Annual Tax or Fee Change {S&H}

House  
 6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S}  
 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}

*Evan Brasseaux*  
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