

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 80TH LEGISLATIVE REGULAR SESSION

March 17, 2007

TO: Honorable Robert Duncan, Chair, Senate Committee on State Affairs

FROM: John S. O'Brien, Director, Legislative Budget Board

IN RE: SB287 by Lucio (Relating to the appointment of an attorney for a workers' compensation claimant in certain judicial review proceedings initiated by a workers' compensation insurance carrier.), **As Introduced**

The negative fiscal impact would depend on the number of proceedings in which the subsequent injury fund was held liable for attorney's fees and therefore cannot be estimated.

The bill would amend the Labor Code to require appointment of an attorney for a workers' compensation claimant in certain judicial review proceedings that were initiated by a workers' compensation insurance carrier. The bill would hold insurance carriers liable for attorney's fees on issues on which claimants prevail and would hold the subsequent injury fund liable for attorney's fees on issues on which the insurance carrier prevails.

Although a negative fiscal impact would be realized for any workers' compensation judicial proceedings where the subsequent injury fund was held liable for attorney's fees, the number of proceedings can not be determined.

The bill would take effect September 1, 2007.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 454 Department of Insurance

LBB Staff: JOB, KJG, MW, SK