

**LEGISLATIVE BUDGET BOARD**  
**Austin, Texas**

**FISCAL NOTE, 81ST LEGISLATIVE REGULAR SESSION**

**April 19, 2009**

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

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

**IN RE: SB442** by Lucio (Relating to the receipt of death benefits in the workers' compensation system.), **As Introduced**

**Estimated Two-year Net Impact to General Revenue Related Funds** for SB442, As Introduced: an impact of \$0 through the biennium ending August 31, 2011.

The bill would make no appropriation but could provide the legal basis for an appropriation of funds to implement the provisions of the bill.

**General Revenue-Related Funds, Five-Year Impact:**

<b>Fiscal Year</b>	<b>Probable Net Positive/(Negative) Impact to General Revenue Related Funds</b>
2010	\$0
2011	\$0
2012	\$0
2013	\$0
2014	\$0

**All Funds, Five-Year Impact:**

<b>Fiscal Year</b>	<b>Probable (Cost) from Subsequent Injury Fund 5101</b>
2010	(\$213,367)
2011	(\$213,367)
2012	(\$213,367)
2013	(\$213,367)
2014	(\$213,367)

**Fiscal Analysis**

The bill would amend the Labor Code regarding claims for death benefits under the worker's compensation system. The bill would expand the definition of eligible parent to receive payment of death benefits if a compensable injury to a covered employee results in death.

The bill would take effect September 1, 2009.

**Methodology**

The Subsequent Injury Fund receives payments from worker's compensation carriers on the death of covered employees when no person entitled to compensation survives such employees. The changes to the Labor Code will make additional adoptive parents and stepparents eligible to receive death

benefits in all cases where there are no other legal beneficiaries, and will also result in more timely claims for death benefits being filed. These changes will result in reduced payments to the Subsequent Injury Fund by insurance carriers.

Based on analysis provided by the Texas Department of Insurance, it is anticipated that five additional claims for death benefits will occur, resulting in a cost of \$213,367.

### **Technology**

No technology impact is anticipated

### **Local Government Impact**

No fiscal implication to units of local government is anticipated.

**Source Agencies:** 304 Comptroller of Public Accounts, 454 Department of Insurance

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