

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 86TH LEGISLATIVE REGULAR SESSION

April 8, 2019

TO: Honorable Trey Martinez Fischer, Chair, House Committee on Business & Industry

FROM: John McGeady, Assistant Director Sarah Keyton, Assistant Director
Legislative Budget Board

IN RE: HB3996 by Burrows (Relating to liability of certain political subdivisions in certain workers' compensation actions.), **As Introduced**

No significant fiscal implication to the State is anticipated.

The bill would amend the Labor Code and Government Code relating to liability of certain political subdivisions in certain workers' compensation actions. Based on information provided by the Texas Department of Insurance (TDI) and State Office of Risk Management, this analysis assumes that the duties and responsibilities associated with implementing the provisions of the bill could be accomplished by utilizing existing resources. The Commission on Law Enforcement cannot estimate the number of employees who might need treatment as a result of the bill.

TDI may also assess an administrative penalty against a political subdivision that operates a self-insured workers' compensation plan and commits a violation under the provisions of the bill. The administrative penalties would be deposited into the General Revenue-Dedicated TDI Operating Fund 36 and as the number of violations is unknown, the amount of penalty revenue cannot be determined and are excluded from this analysis.

The bill would take effect immediately upon receiving a vote of two-thirds of all members elected to the House and Senate or otherwise on September 1, 2019.

Local Government Impact

According to the Texas Association of Counties, the fiscal implications of the bill cannot be determined at this time due to the uncertainty of the number of workers' compensation liabilities and administrative penalties a county would incur.

Source Agencies: 407 Commission on Law Enforcement, 411 Commission on Fire Protection, 454 Department of Insurance, 479 State Office of Risk Management, 576 Texas A&M Forest Service, 710 Texas A&M University System Administrative and General Offices, 720 The University of Texas System Administration

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