

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 87TH LEGISLATIVE REGULAR SESSION

April 17, 2021

TO: Honorable Chris Turner, Chair, House Committee on Business & Industry

FROM: Jerry McGinty, Director, Legislative Budget Board

IN RE: HB396 by Moody (relating to the eligibility of nurses for workers' compensation benefits for coronavirus disease (COVID-19) and payment of those benefits.), **Committee Report 1st House, Substituted**

Estimated Two-year Net Impact to General Revenue Related Funds for HB396, Committee Report 1st House, Substituted : an impact of \$0 through the biennium ending August 31, 2023.

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:

<i>Fiscal Year</i>	<i>Probable Net Positive/(Negative) Impact to General Revenue Related Funds</i>
2022	\$0
2023	\$0
2024	\$0
2025	\$0
2026	\$0

All Funds, Five-Year Impact:

<i>Fiscal Year</i>	<i>Probable (Cost) from Interagency Contracts</i>
	777
2022	(\$564,408)
2023	\$0
2024	\$0
2025	\$0
2026	\$0

Fiscal Analysis

The bill would amend the Labor Code relating to the eligibility of nurses for workers' compensation benefits for coronavirus disease and payment of those benefits. The bill would require the State Office of Risk Management (SORM) to accept coronavirus workers' compensation claims from certain parties (nurses) in the state that were previously denied, if the party refiles the claim after the bill is in effect.

Methodology

Based on information provided by SORM, the agency has received ten coronavirus claims to which the bill may apply. If all previously denied claims were refiled after the passage of the bill and each was deemed compensable, the agency estimates an impact of \$0.6 million. This analysis does not take into account any potential new claims the agency may receive in the future.

The costs would be paid out of interagency contracts paid from assessments charged to state agencies. According to SORM, SORM would need to increase assessments charged to state agencies in order to cover the costs. It is assumed that the payments to SORM may result in a significant cost to affected agencies, but the cost cannot be determined at this time.

Technology

There is no anticipated technology impact as a result of implementing this bill.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 454 Department of Insurance, 479 State Office of Risk Management

LBB Staff: JMc, SZ, MB, MPUK