

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL NOTE

HB 208 - SB 271

March 17, 2019

SUMMARY OF BILL: Redefines “base period” relative to cases involving persons receiving workers’ compensation benefits. Reduces the base period from four of the last five completed calendar quarters to the last two completed calendar quarters for temporary total disability compensation.

ESTIMATED FISCAL IMPACT:

Increase State Expenditures – Exceeds \$52,000/One-Time

Assumptions:

- Based on information provided by the Bureau of Workers’ Compensation (BWC), the legislation only affects unemployment compensation in cases where the individual is receiving temporary total disability benefits under worker compensation in addition to unemployment benefits.
- Based on information provided by the BWC, any impact on unemployment benefits or workers’ compensation benefits will be not significant.
- Changing the base period will require the use of additional staff resources for training, analyzing, changing computer systems and making changes to the website to reflect the new base period.
- The Department of Labor and Workforce Development (DLWD) will need to train at least 430 staff on the new two-quarter based period, which will require approximately three hours of training per person. It is assumed the Department will be able to accommodate this training into the normal course of business without an increased appropriation or a reduced reversion.
- DWLD will be required to work with their systems vendor in order to test and update online project communications that corresponds or references the four-quarter base period and for updating their website accordingly; resulting in a one-time increase of state expenditures by at least \$52,000.
- Based on information provided by the Department of Treasury the provisions of the legislation will not have a significant impact on state employee workers compensation claims.

IMPACT TO COMMERCE:

Increase Business Revenue - \$52,000/One-Time

Assumptions:

- The one-time increase in business revenue paid to the system contract vendor is estimated to be \$52,000.
- The provisions in this legislation will not have any significant impact on commerce or jobs in Tennessee.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.



Krista Lee Carsner, Executive Director

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