

## Department of Planning and Budget 2007 Fiscal Impact Statement

1. **Bill Number** HB2294

**House of Origin**    ☒ Introduced    ☐ Substitute    ☐ Engrossed

**Second House**    ☐ In Committee    ☐ Substitute    ☐ Enrolled

2. **Patron**        McClellan

3. **Committee**    Commerce and Labor

4. **Title**            Workers' compensation; government employees.

5. **Summary/Purpose:** Classifies policemen, firefighters, sheriffs and their deputies, and certain other individuals who are generally deemed to be employees of their employing locality for purposes of the Virginia Workers' Compensation Act, as employees of the Commonwealth while rendering aid outside of the Commonwealth pursuant to a state-approved request under the Emergency Management Assistance Compact.

6. **Fiscal Impact Estimates are:** Indeterminate

7. **Budget amendment necessary:** N/A

8. **Fiscal implications:** This proposed legislation creates an additional situation where certain non-state employees are temporarily added to the state employee workers compensation program. Currently, workers compensation premiums for each state agency are based upon a combination of factors including the amount of payroll covered, the claims experience, and potential claims risk of employee groups. These premiums are set on a biennial basis thus, any actual impact to the premiums of any state agency will not occur until the following biennium. However, any claims incurred by these individuals will be paid out of the state employee workers compensation program and this experience will be passed along to state agencies the next time premiums are determined. The actual impact of this bill is indeterminate due to the unknown number of local employees that will be placed in this temporary status and the number of claims to the state employee workers compensation program that will result.

9. **Specific agency or political subdivisions affected:** The cost of any claims will ultimately be passed along to state agencies in the form of increases in their workers compensation premiums.

10. **Technical amendment necessary:** No

11. **Other comments:** None

**Date:** 1/15/2007/ JDH

**Document:** DPB G:\EFIS\2007\2294-Workerscomplocalemployees\HB2294.DOC

cc: Secretary of Administration  
Secretary of Public Safety