

Department of Planning and Budget 2011 Fiscal Impact Statement

1. Bill Number: SB823

House of Origin	<input checked="" type="checkbox"/>	Introduced	<input type="checkbox"/>	Substitute	<input type="checkbox"/>	Engrossed
Second House	<input type="checkbox"/>	In Committee	<input type="checkbox"/>	Substitute	<input type="checkbox"/>	Enrolled

2. Patron: Edwards

3. Committee: Commerce and Labor

4. Title: Workers' compensation; presumption that injury arises out of employment.

5. Summary: Creates a presumption that a workplace injury results from an accident arising out of employment for purposes of the Workers' Compensation Act if the employee is found dead or to have incurred a brain injury resulting from external mechanical force that impairs the employee's brain function to such an extent that the employee is incapable of recalling the relevant circumstances of the accident. A judicially created presumption currently exists when an employee is found dead as the result of an accident at his place of work and there is no evidence offered to show what caused the death or to show that he was not engaged in his employer's business at the time.

6. Budget Amendment Necessary: No

7. Fiscal Impact Estimates: Indeterminate

8. Fiscal Implications: The Department of Human Resource Management indicates that this legislation could potentially increase the cost of claims to the Commonwealth as brain injury cases are among the most expensive and long term claims, carrying the likelihood of permanent partial or permanent total disability and payment of lost wage benefits for the lifetime of the employee. For comparison, three compensable traumatic brain injury cases currently handled by the State Employee Workers' Compensation Program are reserved for \$4,610,505, \$2,422,316, and \$388,778, respectively. Any increases would be passed along to the agency where the employee worked in the form of premium increases.

The Workers' Compensation Commission reports no fiscal impact to the Commission.

9. Specific Agency or Political Subdivisions Affected: The Department of Human Resource Management, Workers' Compensation Commission

10. Technical Amendment Necessary: No

11. Other Comments: Identical to HB 1475

Date: 1/18/11 ckb

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