

Department of Planning and Budget 2017 Fiscal Impact Statement

1. Bill Number: HB2353

House of Origin ☒ Introduced ☐ Substitute ☐ Engrossed
Second House ☐ In Committee ☐ Substitute ☐ Enrolled

2. Patron: Murphy

3. Committee: Commerce and Labor

4. Title: Workers' compensation; failure to make reports; deterring employee from filing claim; penalty.

5. Summary: Provides that an employer is guilty of a Class 2 misdemeanor if he knowingly and intentionally fails to comply with the requirement that he report an employee's injury or death or dissuades or deters an employee from filing a claim for compensation under the Virginia Workers' Compensation Act.

6. Budget Amendment Necessary: No.

7. Fiscal Impact Estimates: Preliminary – see Item 8.

8. Fiscal Implications: The proposed legislation creates a new penalty for anyone who knowingly and intentionally fails to comply with the requirement to report an employee's injury or death or dissuades or deters an employee from filing a claim for compensation under the Virginia Workers' Compensation Act.

Anyone convicted of a Class 2 misdemeanor is subject to a sentence of up to six months in jail and a fine up to \$1,000, either or both. There is not enough information available to reliably estimate how many additional inmates in jail could result from this proposed legislation. Ultimately, the presiding judge will decide if there is to be any time served in jail; however, any increase in the jail population will increase costs to the state. The Commonwealth presently pays localities \$4.00 a day for each misdemeanant or otherwise local responsible prisoner held in a jail and \$12.00 a day for each state responsible inmate. It also funds a considerable portion of the jails' operating costs, e.g. correctional officers. The state's share of these costs on a per prisoner, per day basis varies from locality to locality. However, according to the Compensation Board's most recent Jail Cost Report (November 2016), the estimated total state support for local jails averaged \$32.82 per inmate, per day in FY 2015.

9. Specific Agency or Political Subdivisions Affected: Virginia Workers' Compensation Commission and localities.

10. Technical Amendment Necessary: No.

11. Other Comments: None.