

**Consolidated Fiscal Note – 2011-12 Session**

**Bill #:** H1362-1E **Complete Date:** 04/21/11

**Chief Author:** KIEFFER, ANDREA

**Title:** WORKERS COMP ADV COUNCIL REC ADPTD

<b>Fiscal Impact</b>	<b>Yes</b>	<b>No</b>
State	X	
Local		X
Fee/Departmental Earnings	X	
Tax Revenue		X

**Agencies:** Labor & Industry (04/21/11)

Administrative Hearings (04/21/11)

This table reflects fiscal impact to state government. Local government impact is reflected in the narrative only.

Dollars (in thousands)	<b>FY11</b>	<b>FY12</b>	<b>FY13</b>	<b>FY14</b>	<b>FY15</b>
<b>Net Expenditures</b>					
Workers Compensation Fund		600			
Labor & Industry		0			
Administrative Hearings		600			
<b>Revenues</b>					
Workers Compensation Fund		600			
Labor & Industry		600			
<b>Net Cost &lt;Savings&gt;</b>					
Workers Compensation Fund		0			
Labor & Industry		(600)			
Administrative Hearings		600			
<b>Total Cost &lt;Savings&gt; to the State</b>					

	<b>FY11</b>	<b>FY12</b>	<b>FY13</b>	<b>FY14</b>	<b>FY15</b>
<b>Full Time Equivalents</b>					
-- No Impact --					
<b>Total FTE</b>					

**Consolidated EBO Comments**

I have reviewed this Fiscal Note for accuracy and content.

EBO Signature: RYAN BAUMTROG  
Date: 04/21/11 Phone: 651-201-8038

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**Title:** WORKERS COMP ADV COUNCIL REC ADPTD

<b>Fiscal Impact</b>	<b>Yes</b>	<b>No</b>
State	X	
Local		X
Fee/Departmental Earnings	X	
Tax Revenue		X

**Agency Name:** Labor & Industry

This table reflects fiscal impact to state government. Local government impact is reflected in the narrative only.

Dollars (in thousands)	<b>FY11</b>	<b>FY12</b>	<b>FY13</b>	<b>FY14</b>	<b>FY15</b>
<b>Expenditures</b>					
Workers Compensation Fund		0			
<b>Less Agency Can Absorb</b>					
-- No Impact --					
<b>Net Expenditures</b>					
Workers Compensation Fund		0			
<b>Revenues</b>					
Workers Compensation Fund		600			
<b>Net Cost &lt;Savings&gt;</b>					
Workers Compensation Fund		(600)			
<b>Total Cost &lt;Savings&gt; to the State</b>		(600)			

	<b>FY11</b>	<b>FY12</b>	<b>FY13</b>	<b>FY14</b>	<b>FY15</b>
<b>Full Time Equivalents</b>					
-- No Impact --					
<b>Total FTE</b>					

**Bill Description**

DLI will transfer \$600,000 from the workers' compensation special compensation fund. This transfer will be factored into the calculation of the 2011 assessment rate.

**References/Sources**

Deputy Commissioner, Department of Labor and Industry  
Chief Financial Officer, Department of Labor and Industry

Agency Contact Name: Mike Gaustad (651-284-5464)  
FN Coord Signature: MIKE GAUSTAD  
Date: 04/21/11 Phone: 651-284-5464

**EBO Comments**

I have reviewed this Fiscal Note for accuracy and content.

EBO Signature: RYAN BAUMTROG  
Date: 04/21/11 Phone: 651-201-8038

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**Title:** WORKERS COMP ADV COUNCIL REC ADPTD

<b>Fiscal Impact</b>	<b>Yes</b>	<b>No</b>
State	X	
Local		X
Fee/Departmental Earnings	X	
Tax Revenue		X

**Agency Name:** Administrative Hearings

This table reflects fiscal impact to state government. Local government impact is reflected in the narrative only.

Dollars (in thousands)	<b>FY11</b>	<b>FY12</b>	<b>FY13</b>	<b>FY14</b>	<b>FY15</b>
<b>Expenditures</b>					
Workers Compensation Fund		600			
<b>Less Agency Can Absorb</b>					
-- No Impact --					
<b>Net Expenditures</b>					
Workers Compensation Fund		600			
<b>Revenues</b>					
-- No Impact --					
<b>Net Cost &lt;Savings&gt;</b>					
Workers Compensation Fund		600			
<b>Total Cost &lt;Savings&gt; to the State</b>		600			

	<b>FY11</b>	<b>FY12</b>	<b>FY13</b>	<b>FY14</b>	<b>FY15</b>
<b>Full Time Equivalents</b>					
-- No Impact --					
<b>Total FTE</b>					

## **Bill Description**

HF 1362-1E is a bill relating to workers' compensation, adopting the recommendations of the Workers' Compensation Advisory Council. (Minn. Stat. Sec. 175.007 Advisory Council on Workers' Compensation; Creation). The duties of the council shall be to advise the Department of Labor and Industry in carrying out the purposes of Chapter 176. The council shall submit its recommendations to the proper legislative committee. A recommendation may not be made by the council unless it is supported by a majority of the employer members and a majority of the labor members.

Amendment 1E adds Sec.18 which directs the Commissioner to appropriate a sum, not to exceed \$600,000 from the special compensation fund for the purpose of implementing a case management system and electronic filing system at the Office of Administrative Hearings (OAH). This is a onetime appropriation, and authority to disburse these funds is granted to the chief administrative law judge of the OAH.

## **Assumptions**

The 1E amendment adds the onetime appropriation for the implementation of a case management system and electronic filing system at the Office of Administrative Hearings.

## **Expenditure and/or Revenue Formula**

One-time transfer of funds from the workers' compensation special compensation fund of \$600,000

## **Long-Term Fiscal Considerations**

## **Local Government Costs**

## **References/Sources**

MN Office of Administrative Hearings, Case Management System Build Versus Buy Analysis  
Prepared by Gary Nygaard and Jennifer Smith, The MACRO Group Inc., November 24, 2010

Agency Contact Name: Tim O'Malley (651-361-7856)  
FN Coord Signature: SUSAN SCHLEISMAN  
Date: 04/19/11 Phone: 651-361-7833

## **EBO Comments**

I have reviewed this Fiscal Note for accuracy and content.

EBO Signature: KATHARINE BARONDEAU  
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