



Legislative Council Staff

Nonpartisan Services for Colorado's Legislature

Final Fiscal Note

Drafting Number:	LLS 22-0920	Date:	August 2, 2022
Prime Sponsors:	Rep. Daugherty Sen. Rodriguez	Bill Status:	Signed into Law
		Fiscal Analyst:	Clare Pramuk 303-866-2677 clare.pramuk@state.co.us

Bill Topic: **WORKERS' COMPENSATION UPDATES**

Summary of Fiscal Impact:

<input type="checkbox"/> State Revenue	<input type="checkbox"/> TABOR Refund
<input checked="" type="checkbox"/> State Expenditure	<input type="checkbox"/> Local Government
<input type="checkbox"/> State Transfer	<input checked="" type="checkbox"/> Statutory Public Entity

The bill amends the Workers' Compensation Act to allow for advance payments for mileage reimbursements, clarify how benefit amounts are determined for permanent medical impairments, increase benefits for funeral and burial expenses, and require additional reporting. It increases state and statutory public entity expenditures beginning in FY 2022-23.

Appropriation Summary: No appropriation is required.

Fiscal Note Status: The fiscal note reflects the enacted bill.

Summary of Legislation

The bill amends the Workers' Compensation Act to:

- allow for advance payments for mileage reimbursements in certain situations;
- clarify how benefit amounts are determined for permanent medical impairments when the schedule of injuries amount payable exceeds the amount payable for nonscheduled injuries;
- increase benefits for funeral and burial expenses;
- repeal the Special Funds Board and move the duties related to the Immediate Payment Fund and Guaranty Fund for self-insured employers to the Director of the Division of Workers' Compensation; and
- require reporting of active medical treatments lasting more than 180 days after the date of injury.

State Expenditures

The bill will impact the state as an employer and regulator of the Workers' Compensation Act.

Department of Personnel and Administration. The bill will increase benefits paid for permanent medical impairments and funeral and burial expenses. This increase can be addressed within existing appropriations.

Department of Labor and Employment. The bill will increase claims reporting to the Workers' Compensation Division and require the division director to administer the self-insured employer assessments and establish requirements and qualifications for claims administrators. This increase can be addressed within existing appropriations.

Statutory Public Entity

Pinnacol Assurance was created in statute as a political subdivision to provide workers' compensation insurance to employers in Colorado. This bill will increase annual funeral and burial benefits payments and require additional staffing to meet the additional reporting requirements. These increases are not expected to increase employer premiums.

Effective Date

The bill was signed into law by the Governor on June 8, 2022, and takes effect August 9, 2022, assuming no referendum petition is filed. It applies to injuries occurring, and mileage reimbursement claims in existence, on or after the bill's effective date.

State and Local Government Contacts

Labor	Law
Personnel	Pinnacol Assurance