

HOUSE OF REPRESENTATIVES STAFF ANALYSIS

BILL #: HB 4019 Repeal of Workers' Compensation Reporting Requirement

SPONSOR(S): Nelson

TIED BILLS: **IDEN./SIM. BILLS:** SB 140

REFERENCE	ACTION	ANALYST	STAFF DIRECTOR or BUDGET/POLICY CHIEF
1) Government Operations Appropriations Subcommittee	11 Y, 0 N	Keith	Topp
2) Economic Affairs Committee	14 Y, 0 N	Reilly	Tinker

SUMMARY ANALYSIS

The bill repeals s. 440.59, F.S., which requires the Department of Financial Services (DFS) to prepare an annual report on the administration of the Workers' Compensation Law, chapter 440, F.S., for the preceding calendar year. The annual report must be submitted by September 15th of each year to the Legislature and the Governor. The Division of Workers' Compensation within the DFS indicates that the information in the annual report will continue to be available upon request.

The bill will allow for the reduction of 1 FTE and a cost savings annually of \$46,473 from the Workers' Compensation Administration Trust Fund.

The bill provides an effective date of July 1, 2012.

FULL ANALYSIS

I. SUBSTANTIVE ANALYSIS

A. EFFECT OF PROPOSED CHANGES:

Section 440.59, F.S., requires the Department of Financial Services (DFS) to prepare an annual report of the administration of the Workers' Compensation Law, chapter 440, F.S., for the preceding calendar year. The report is to include a detailed statement of the receipts of and expenditures from the Workers' Compensation Administration Trust Fund and a statement of the causes of the accidents leading to the injuries for which the awards were made. On or before September 15th of each year, the DFS is required to submit a copy of the report to the Governor, the President of the Senate, the Speaker of the House of Representatives, the Democratic and Republican Leaders of the Senate and the House of Representatives, and the chairs of the legislative committees having jurisdiction over workers' compensation.

The 2011 Annual Report of the Florida Division of Workers' Compensation contains narrative, as well as charts and graphs depicting the activities of the division. In addition, the report includes information regarding claims, such as the nature of the injury, cause of the injury, body location of workplace injuries, and medical data.

The Division of Workers' Compensation maintains a website that provides data, forms, publications, and other information to assist injured workers, employers, insurance carriers, health care providers, and other interested parties.¹ Information concerning the division's program area and claims data is also available at the website.

The expenses associated with the administration of the Workers' Compensation Law are funded primarily by assessments on the net premiums of workers' compensation carriers and self-insurers pursuant to s. 440.51, F.S.

The DFS indicates that a total of 2,223 work hours by Division of Workers' Compensation employees is devoted each year to producing the annual report. Based on the number of hours devoted to producing the workers' compensation annual report, enactment of the bill would allow for a reduction of 1 FTE (Insurance Analyst II) and a cost savings annually of \$46,473.

B. SECTION DIRECTORY:

Section 1: Repeals s. 440.59, F.S., which requires the DFS to prepare an annual report on the administration of the Workers' Compensation Law.

Section 2: Provides an effective date of July 1, 2012.

II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

A. FISCAL IMPACT ON STATE GOVERNMENT:

1. Revenues:

None.

2. Expenditures:

The DFS indicates that a total of 2,223 work hours by Division of Workers' Compensation employees is devoted each year to producing the annual report. Based on the number of hours devoted to producing the workers' compensation annual report, enactment of the bill would allow for

¹ The website can be accessed at <http://www.myfloridacfo.com/wc/>

a reduction of 1 FTE (Insurance Analyst II) and a cost saving annually of \$46,473 from the Workers' Compensation Administration Trust Fund.

B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

1. Revenues:

None.

2. Expenditures:

None.

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

None.

D. FISCAL COMMENTS:

None.

III. COMMENTS

A. CONSTITUTIONAL ISSUES:

1. Applicability of Municipality/County Mandates Provision:

Not applicable. This bill does not appear to: require counties or municipalities to spend funds or take an action requiring the expenditure of funds; reduce the authority that counties or municipalities have to raise revenues in the aggregate; or, reduce the percentage of a state tax shared with counties or municipalities.

2. Other:

None.

B. RULE-MAKING AUTHORITY:

None.

C. DRAFTING ISSUES OR OTHER COMMENTS:

None.

IV. AMENDMENTS/ COMMITTEE SUBSTITUTE CHANGES

None.