

Colorado Legislative Council Staff Fiscal Note
**STATE, LOCAL, and
 STATUTORY PUBLIC ENTITY
 FISCAL IMPACT**

Drafting Number: LLS 10-0213**Date:** January 13, 2010**Prime Sponsor(s):** Rep. Miklosi
Sen. Carroll M.**Bill Status:** House Business Affairs and Labor
Fiscal Analyst: Clare Pramuk (303-866-2677)**TITLE:** CONCERNING A BROCHURE TO DESCRIBE THE PROCESS FOR WORKERS' COMPENSATION CLAIMS.

Fiscal Impact Summary	FY 2010-2011	FY 2011-2012
State Revenue		
State Expenditures		
Cash Funds		
Workers' Compensation Cash Fund	(\$18,000)	(\$18,000)
FTE Position Change		
Effective Date: Upon signature of the Governor, or upon becoming law without his signature.		
Appropriation Summary for FY 2010-2011: See State Appropriations section.		
Local Government Impact: See Local Government Impact Section.		

Summary of Legislation

This bill, recommended by the Interim Committee to Study Issues Related to Pinnacol Assurance, requires an employer or the employer's insurance carrier to provide a brochure, approved by the Director of the Division of Workers' Compensation, to each workers' compensation claimant. The brochure will include contact information, a description of the claims process, and a claimant's rights to medical treatment and benefit payments under workers' compensation law.

State Expenditures

HB10-1038 is expected to reduce expenditures in the Division of Workers' Compensation in the Department of Labor and Employment by \$18,000 per year, beginning in FY 2010-11. To increase awareness of the claims process, the division currently sends informational letters to claimants. The fiscal note assumes that the mandatory brochure will make these letters unnecessary resulting in a savings in mailing costs.

The state self-insures for workers' compensation and its administrator currently sends information to claimants, so no other state fiscal impact is expected.

Local Government Impact

An increase in expenditures to local government entities that self-insure for workers' compensation is expected under this bill. The amount of the increase depends on the current practice of each entity for providing information to workers' compensation claimants. If a self-insured entity does not currently send a detailed mailing to claimants, it will incur additional costs for printing, postage, and handling of the brochure, but this amount cannot be determined at this time.

Statutory Public Entity Impact

Like local government entities above, an increase in expenditures for statutory public entities that self-insure for workers' compensation is expected under this bill.

State Appropriations

For FY 2010-11, the Department of Labor and Employment requires an appropriation that reduces funding by \$18,000 from the Workers' Compensation Cash Fund.

Departments Contacted

Labor and Employment
Colorado Municipal League
Pinnacol Assurance

Personnel and Administration
Colorado Counties