

REVENUE: No revenue impact

FISCAL: No fiscal impact

Action: Do Pass the A-Engrossed Measure
Vote: 5 - 0 - 0
Yeas: Avakian, Beyer, Gordly, Monroe, Prozanski
Nays: 0
Exc.: 0
Prepared By: Anna Braun, Administrator
Meeting Dates: 5/7

WHAT THE MEASURE DOES: Removes the sunsets for the changes in permanent partial disability payments in workers' compensation claims. Requires the Workers' Compensation Management- Labor Advisory Committee to review permanent partial disability benefits and make recommendations on a biennial basis.

ISSUES DISCUSSED:

- Workers' social-vocational factors
- Legislative changes in 2003 and 2005
- Support of the Management-Labor Advisory Committee

EFFECT OF COMMITTEE AMENDMENT: No amendment.

BACKGROUND: The 2003 Legislature changed the way permanent partial disability (PPD) benefits are awarded in the workers' compensation system (SB 757). The 2005 Legislature refined these changes in HB 2408. Both changes sunset on January 1, 2008.

In 2005, HB 2408 required the Department of Consumer and Business Services (DCBS) to study the impact of the PPD benefit changes. DCBS conducted this study in 2006. The study showed that changes have redistributed PPD benefits from workers that are able to return to work more quickly toward workers with longer-term injuries and work disability. The study also showed the changes were cost neutral within the overall workers' compensation system.

HB 2244-A repeals the sunsets and makes the 2003 and 2005 law changes permanent. The bill also requires the Workers' Compensation Management-Labor Advisory Committee to review permanent partial disability benefits and make recommendations on a biennial basis.