LEGISLATIVE FISCAL ESTIMATE

[First Reprint]

SENATE, No. 2722

STATE OF NEW JERSEY
219th LEGISLATURE

DATED: SEPTEMBER 28, 2020

SUMMARY

Synopsis: Concerns workers' compensation; revises effective date of P.L.2019, c.387 to clarify that law applies to cases pending, but not yet settled, or filed on or after date of enactment; increases burial expense allowance.

Type of Impact: Potential annual increases in State and local government expenditures.

Agencies Affected: Department of the Treasury and local government entities.

Office of Legislative Services Estimate

Fiscal Impact	Annual
State Expenditure Increase	Indeterminate
Local Expenditure Increase	Indeterminate

- The Office of Legislative Services (OLS) notes that this bill may result in indeterminate annual increases in costs to the State and local government units due to the revision of the effective date of P.L.2019, c.387, which may broaden the eligibility pool of potential claims for workers' compensation payments set forth in that law.

- The OLS expects the bill's $1,500 increase in the maximum amount of workers' compensation benefits that may be used to pay for funeral and burial expenses for certain workers' compensation beneficiaries to grow State and local government entities' annual expenditures by an indeterminate, likely insignificant, amount.

BILL DESCRIPTION

This bill clarifies the effective date of P.L.2019, c.387, which increases workers' compensation for the loss of a hand or foot. This bill also clarifies that the provisions of P.L.2019, c.387 will apply to all claims pending, but not yet settled, or filed on or after the date of enactment of P.L.2019, c.387, which was January 21, 2020. Under the bill, P.L.2019, c.387 will not apply to

cases which have been reopened by an Application to Modify a Formal Award pursuant to R.S.34:15-27.

The bill increases the burial expense allowance in workers' compensation matters, if a death results from a workplace accident or occupational disease, from $3,500 to $5,000.

FISCAL ANALYSIS

EXECUTIVE BRANCH

None received.

OFFICE OF LEGISLATIVE SERVICES

The OLS notes that this bill may result in indeterminate annual increases in costs to the State and local government units due to the broadening of potential claims applications for workers' compensation payments set forth in P.L.2019, c.387.

The OLS expects the bill's $1,500 increase in the maximum amount of workers' compensation benefits that may be used to pay for funeral and burial expenses for certain workers' compensation beneficiaries to increase State and local government entities' annual expenditures by an indeterminate, likely insignificant, amount.

The OLS cannot quantify the annual expenditure increases because it does not have access to pertinent historical workers' compensation program data.

Section:	*Commerce, Labor and Industry*
Analyst:	*Juan C. Rodriguez* *Senior Fiscal Analyst*
Approved:	*Frank W. Haines III* *Legislative Budget and Finance Officer*

This legislative fiscal estimate has been produced by the Office of Legislative Services due to the failure of the Executive Branch to respond to our request for a fiscal note.

This fiscal estimate has been prepared pursuant to P.L.1980, c.67 (C.52:13B-6 et seq.).