# COMMITTEE ON LEGISLATIVE RESEARCH OVERSIGHT DIVISION

### FISCAL NOTE

<u>L.R. No.</u>: 2763-01 <u>Bill No.</u>: SB 706

Subject: Attorneys; Administrative Law; Workers Compensation; Corporations; Labor and

**Industrial Relations** 

<u>Type</u>: Original

Date: January 16, 2002

# **FISCAL SUMMARY**

| ESTIMATED NET EFFECT ON STATE FUNDS                        |         |         |         |  |
|--|---------|---------|---------|--|
| FUND AFFECTED  | FY 2003 | FY 2004 | FY 2005 |  |
| None   |         |         |         |  |
|  |         |         |         |  |
| Total Estimated<br>Net Effect on <u>All</u><br>State Funds | \$0     | \$0     | \$0     |  |

| ESTIMATED NET EFFECT ON FEDERAL FUNDS                        |         |         |         |  |
|--|---------|---------|---------|--|
| FUND AFFECTED  | FY 2003 | FY 2004 | FY 2005 |  |
| None   |         |         |         |  |
|  |         |         |         |  |
| Total Estimated<br>Net Effect on <u>All</u><br>Federal Funds | \$0     | \$0     | \$0     |  |

| ESTIMATED NET EFFECT ON LOCAL FUNDS |         |         |         |  |
|-------------------------------------|---------|---------|---------|--|
| FUND AFFECTED                       | FY 2003 | FY 2004 | FY 2005 |  |
| <b>Local Government</b>             | \$0     | \$0     | \$0     |  |

Numbers within parentheses: ( ) indicate costs or losses.

This fiscal note contains 4 pages.

#### FISCAL ANALYSIS

#### <u>ASSUMPTION</u>

Officials from the Department of Public Safety – Capitol Police, – State Highway Patrol, – State Emergency Management Agency, – Office of Director, Department of Transportation, Department of Higher Education, Department of Health and Senior Services, Department of Elementary and Secondary Education, Department of Economic Development, Department of Mental Health, Department of Insurance, Department of Labor and Industrial Relations, Department of Revenue, Office of Administration – Administrative Hearing Commission, Office of Secretary of State, Department of Social Services, Department of Natural Resources, Department of Corrections, and the Department of Agriculture assume the proposed legislation would have no fiscal impact on their agencies.

Officials from the **Office of State Courts Administrator** assume the proposed legislation would have no fiscal impact on the courts.

Officials from the **Office of the Attorney General (AGO)** assume the proposal may result in an increase in the number of administrative appeals by corporations and an increase in the amount of time spent by Assistant Attorneys General on individual cases. As a result, additional staffing and resources in the Governmental Entities and Licensing divisions of the AGO may be required. AGO assumes one FTE Assistant Attorney General I (\$31,500 + fringe benefits) would be needed to handle the case load. AGO estimates the fiscal impact to be \$34,999 in FY 03, \$43,049 in FY 04, and \$44,125 in FY 05.

**Oversight** assumes the AGO could experience an increase in case load due to the proposed legislation. However, Oversight assumes the AGO could absorb the cost of the increased case load within existing resources. If the AGO experiences an increase that would justify additional FTE, the AGO could request funding through the appropriation process.

|                                  | (10 Mo.)<br><b>\$0</b> | <b>\$0</b> | \$0     |
|----------------------------------|------------------------|------------|---------|
| FISCAL IMPACT - State Government | FY 2003<br>(10 Mo.)    | FY 2004    | FY 2005 |

L.R. No. 2763-01 Bill No. SB 706 Page 3 of 4 January 16, 2002

|                                  | <u>\$0</u>          | <u>\$0</u> | <u>\$0</u> |
|----------------------------------|---------------------|------------|------------|
| FISCAL IMPACT - Local Government | FY 2003<br>(10 Mo.) | FY 2004    | FY 2005    |

## FISCAL IMPACT - Small Business

Small businesses seeking relief in administrative hearings before the Administrative Hearing Commission and the Department of Labor and Industrial Relations could experience a savings in legal expenses, as they would no longer be required to employ an attorney for such hearings.

#### **DESCRIPTION**

The proposed legislation would allow non-attorney representation proceedings before the Administrative Hearing Commission and the Department of Labor and Industrial Relations in workers' compensation cases.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

## **SOURCES OF INFORMATION**

Department of Public Safety

- Capitol Police
- State Highway Patrol
- State Emergency Management Agency
- Office of Director

Department of Transportation

Department of Higher Education

Department of Health and Senior Services

Department of Elementary and Secondary Education

Department of Economic Development

Department of Mental Health

Department of Insurance

Department of Labor and Industrial Relations

Department of Revenue

Office of Administration

BLG:LR:OD (12/01)

L.R. No. 2763-01 Bill No. SB 706 Page 4 of 4 January 16, 2002

# Administrative Hearing CommissionSOURCES OF INFORMATION (continued)

Office of Secretary of State
Office of Attorney General
Department of Natural Resources
Department of Corrections
Office of State Courts Administrator
Department of Agriculture
Department of Social Services

Mickey Wilson, CPA Acting Director

January 16, 2002