



GOVERNOR'S OFFICE OF
BUDGET AND PROGRAM PLANNING

Fiscal Note 2025 Biennium

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| Bill information: | |
| HB0702 - Repeal termination date relating to certain Workers' Compensation Programs (Harvey, Derek J) | |
| Status: | As Introduced |

- Significant Local Gov Impact
 Needs to be included in HB 2
 Technical Concerns
 Included in the Executive Budget
 Significant Long-Term Impacts
 Dedicated Revenue Form Attached

FISCAL SUMMARY

| | <u>FY 2024</u> <u>Difference</u> | <u>FY 2025</u> <u>Difference</u> | <u>FY 2026</u> <u>Difference</u> | <u>FY 2027</u> <u>Difference</u> |
|---|-------------------------------------|-------------------------------------|-------------------------------------|-------------------------------------|
| Expenditures: | | | | |
| General Fund | \$0 | \$0 | \$0 | \$0 |
| Revenue: | | | | |
| General Fund | \$0 | \$0 | \$0 | \$0 |
| Net Impact-General Fund Balance: | <u>\$0</u> | <u>\$0</u> | <u>\$0</u> | <u>\$0</u> |

Description of fiscal impact: HB 702 removes the termination date of previously passed legislation that established a program within the Department of Labor & Industry (DLI) to reimburse private employers who hired a student enrolled in a high-quality work-based learning opportunity when the employer had added costs for workers' compensation premium because of employing that student. This bill has no fiscal impact to the state.

FISCAL ANALYSIS

Assumptions:

1. Since the inception of the program in 2019, DLI has not had any applications from private employers seeking reimbursement for increased costs in workers' compensation premium due to employing a student enrolled in a high-quality work-based learning opportunity.
2. The previous termination date for this program was June 30, 2023.
3. Section 39-71-319 (1)(b), MCA, states reimbursement (under this section) is subject to available funds.
4. Section 39-71-319 (1)(b), MCA, also states the workers' compensation administration fund may be used to reimburse premiums for employers who have added costs because of employing a student enrolled in a high-quality work-based learning program.
5. With no applications in nearly four years, it is unknown how many requests for reimbursement will be received in the future, therefore, DLI estimates no or de minimis fiscal impact due to HB 702.

- DLI will monitor any applications in the future, along with the financial stability of the workers' compensation administration fund to ensure financial stability in the fund.

D.Y.H
Sponsor's Initials

2-27-23
Date

[Signature]
Budget Director's Initials

2-24-23
Date