

FINAL **FISCAL NOTE**

Drafting Number: LLS 18-0437

Date: May 14, 2018 Sen. Martinez Humenik; **Prime Sponsors:** Bill Status: Signed into Law

Kori Donaldson | 303-866-4976 Moreno Fiscal Analyst: Rep. Lawrence; Exum Kori.Donaldson@state.co.us

MED BENEFITS AFTER STATE EMPL WORK-RELATED DEATH **Bill Topic:**

Summary of **Fiscal Impact:** □ State Revenue

State Expenditure (conditional)

□ State Transfer

□ TABOR Refund □ Local Government

□ Statutory Public Entity

This bill requires state agencies to continue paying certain benefits to dependents of an employee who dies in a work-related death. It may have an ongoing conditional

fiscal impact.

Appropriation Summary:

No appropriation is required.

Fiscal Note Status:

This fiscal note reflects the bill as enacted.

Summary of Legislation

This bill requires a state agency to continue paying medical and dental benefits to the dependents of an employee who dies in a work-related death for 12 months from the end of the month in which the work-related death occurs.

Background

There have been six work-related deaths among four state departments in the last five fiscal years.

State Expenditures

The bill has a ongoing conditional fiscal impact. The bill will trigger a state expenditure in the event of a work-related death if the deceased employee has one or more dependents that are already receiving medical and dental benefits from the state. The costs payable by a state agency under the bill are those attributable to the employee share of the benefit cost. The expenditure amount is conditional on the number of employee deaths, dependents, and the cost of the benefit plan.

SB 18-148

This fiscal note assumes that if the costs associated with paying medical and dental benefits to the dependents of a deceased employee cannot be paid from existing appropriations, then a state agency will seek a supplemental appropriation through the regular budget process.

Most agencies — including those agencies that have reported a work-related death in the last five fiscal years — anticipate that costs associated with the bill can be paid from existing appropriations. Some agencies provided estimated costs, based on FY 2017-18 plan rates. These estimates ranged from \$6,000 to \$23,000 per incident, based on the number of dependents and the selected benefits plan.

Effective Date

The bill was signed into law by the Governor and took effect March 7, 2018.

State and Local Government Contacts

All State Agencies