## HB 439-FN - AS AMENDED BY THE HOUSE

08Jan2014... 2364h

## 2013 SESSION

HOUSE BILL 439-FN
AN ACT relative to weekly workers' compensation payments.
SPONSORS: Rep. H. Richardson, Coos 4
COMMITTEE: Labor, Industrial and Rehabilitative Services

## ANALYSIS

This bill changes the weekly compensation for temporary total disability, permanent total disability, and temporary partial and permanent partial disability.

Explanation: Matter added to current law appears in bold italics.
Matter removed from current law appears [in brackets and struckthrough.]
Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.

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13-0635
01/09

## STATE OF NEW HAMPSHIRE

## In the Year of Our Lord Two Thousand Thirteen

AN ACT relative to weekly workers' compensation payments.
Be it Enacted by the Senate and House of Representatives in General Court convened:

1 Weekly Compensation Changed for Temporary Total Disability. Amend RSA 281-A:28, I and II to read as follows:
I. If an employee's average weekly wage is [30] 40 percent or less of the state's average weekly wage, weekly compensation shall be the full amount of that employee's average weekly wage. However, the maximum allowable weekly compensation rate under this paragraph shall not exceed [90] 100 percent of the employee's after tax earnings as determined by RSA 281-A:15.
II. If an employee's average weekly wage is over [30] 40 percent of the state's average weekly wage, weekly compensation shall be [60] $662 / 3$ percent of that employee's average weekly wage or [30] 40 percent of the state's average weekly wage, whichever is greater, but in no event shall weekly compensation exceed 150 percent of the state's average weekly wage rounded off to the nearest dollar as the commissioner determines for the year in which the injury occurred. In no event shall the maximum weekly compensation rate exceed 100 percent of the employee's after tax weekly earnings as determined under RSA 281-A:15. For purposes of this section, the department of employment security shall establish the state's average weekly wage for the immediate preceding calendar year to be effective the following July 1.

2 Weekly Compensation Changed for Permanent Total Disability. Amend RSA 281-A:28-a, I and II to read as follows:
I. If an employee's average weekly wage is [30] 40 percent or less of the state's average weekly wage, weekly compensation shall be the full amount of said employee's weekly compensation rate. However, the maximum allowable weekly compensation rate under this paragraph shall not exceed [90] 100 percent of the employee's after tax earnings as determined pursuant to RSA 281A:15.
II. If an employee's average weekly wage is over [30] 40 percent of the state's average weekly wage, weekly compensation shall be [60] $662 / 3$ percent of the employee's average weekly wage or [30] 40 percent of the state's average weekly wage, whichever is greater, but in no event shall weekly compensation exceed 150 percent of the state's average weekly wage rounded off to the nearest dollar as determined by the commissioner for the year in which the injury occurred. In no event shall the weekly compensation rate exceed 100 percent of the employee's after tax weekly earnings as determined pursuant to RSA 281-A:15. For the purposes of this section, the state's average weekly wage shall be established by the department of employment security for the immediately preceding

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calendar year to be effective the following July 1.
3 Weekly Compensation Changed for Temporary Partial Disability. Amend RSA 281-A:31 to read as follows:

281-A:31 Compensation for Temporary Partial Disability. If the disability for work resulting from an injury is partial, and the employee is able to work but has not yet reached maximum medical improvement, the employer, or the employer's insurance carrier, during such disability, but not for the first 3 days of disability unless the disability continues for 14 days or longer, shall pay to the injured employee a weekly compensation equal to [60] $662 / 3$ percent of the difference between the employee's average weekly wage before the injury and the average weekly wage which he or she is able to earn thereafter; but in no instance shall the weekly compensation exceed the amount set forth by the compensation schedule in RSA 281-A:28. Payments shall not continue after the disability ends, nor longer than 262 weeks; and, if the partial disability begins after a period of total disability, the period of total disability shall be deducted from such total period of 262 weeks.

4 Weekly Compensation Changed for Permanent Partial Disability. Amend RSA 281-A:31-a to read as follows:

281-A:31-a Compensation for Permanent Partial Disability. Where the disability for work resulting from an injury is permanent but partial in nature, the employee has reached maximum medical improvement, is able to return to work, and there is an impairment in accordance with the "Guides to the Evaluation of Permanent Impairment" published by the American Medical Association as set forth in RSA 281-A:32, the employer, or insurance carrier, during such disability shall pay to the injured employee a weekly compensation equal to [60] $\boldsymbol{6 6} 2 / 3$ percent of the difference between his average weekly wage before the injury and the average weekly wage which he is able to earn thereafter. However, in no instance shall the weekly compensation exceed the amounts set forth by the compensation schedule in RSA 281-A:28. Payments shall not continue after the disability ends, nor longer than 262 weeks; and if the partial disability begins after a period of total disability, the period of disability shall be deducted from such total period of 262 weeks.

5 Effective Date. This act shall take effect January 1, 2015.

## HB 439-FN FISCAL NOTE

AN ACT relative to weekly workers' compensation payments.

## FISCAL IMPACT:

The Department of Labor states this bill, as amended by the House (Amendment \#2013$\underline{\mathbf{2 3 6 4 h}}$ ), will increase state, county, and local expenditures by an indeterminable amount in FY 2015 and each year thereafter. This bill will have no fiscal impact on state, county and local revenue.

## METHODOLOGY:

The Department of Labor states this bill changes the weekly compensation for temporary total disability, permanent total disability, and temporary partial and permanent partial disability from 60 percent to $662 / 3$ percent of the employee's average weekly wage. Using payouts made in 2011 by state, county and local self-insureds, the Department estimates state expenditures may increase by $\$ 133,139$ (2011 payout amount of $\$ 1,997,088 * 62 / 3 \%$ ), county expenditures may increase by $\$ 10,780$ (2011 payout amount of $\$ 161,698 * 62 / 3 \%$ ), and local expenditures may increase by $\$ 461,478$ (2011 payout amount of $\$ 6,922,174 * 62 / 3 \%$ ). There may be additional costs as premiums for those counties and locals that are not self-insured increase. The Department is not able to determine these costs. Due to increased payouts, assessments to the Administration Fund and the Fund for Second Injuries would be higher as the funds are based on the payouts by all carriers and self-insureds.

