

HB 2272 -- SECOND INJURY FUND

SPONSOR: Fisher (125)

COMMITTEE ACTION: Voted "do pass" by the Special Committee on Workforce Development and Workplace Safety by a vote of 7 to 4.

This bill allows the Director of the Division of Workers' Compensation within the Department of Labor and Industrial Relations to advance moneys from the Workers' Compensation Fund to the Second Injury Fund and requires the advance to be repaid no later than December 31 of the fifth year following the advance. The outstanding total of moneys advanced from the Workers' Compensation Fund to the Second Injury Fund cannot exceed 33 1/3% of the total amount of the annual surcharge imposed in the year of the advance.

The bill specifies that the Second Injury Fund is to be funded solely by the annual surcharge imposed upon each workers' compensation policyholder and self-insured employer. The funding of both the Workers' Compensation Fund and the Second Injury Fund will be computed and assessed based on a fiscal year rather than a calendar year.

The bill contains an emergency clause for the provisions regarding the advancement of funds from the Workers' Compensation Fund to the Second Injury Fund.

FISCAL NOTE: No impact on state funds in FY 2011, FY 2012, and FY 2013.

PROPOSERS: Supporters say that the bill provides the Division of Employment Security with additional moneys in order to more expediently settle claims against the Second Injury Fund. The provision requiring the surcharge to be the sole funding source for the Second Injury Fund is a proactive attempt to preclude any judicial ruling requiring general revenue to be deposited into the fund. Some supporters objected to the funding source provision.

Testifying for the bill were Representative Fisher (125); Associated Industries of Missouri; Missouri AFL-CIO; Missouri Chamber of Commerce and Industry; Missouri Self Insurers Association; Associated Builders and Contractors; United Steelworkers District 11; and Missouri Merchants and Manufacturers Association.

OPPOSERS: There was no opposition voiced to the committee.