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FISCAL ANALYSIS

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HOUSE BILL 5107 AS REPORTED W/O AMENDMENT

FLOOR ANALYSIS - 4/24/02

Sponsor: Rep. Jerry Vander Roest

Analyst(s): Bob Schneider

House Committee: Employment Relations, Training and Safety

SUMMARY

The bill would revise the Worker's Disability Compensation Act in a manner that treats volunteer underwater divers in the same way as volunteer firefighters under the act. Local units of government would be responsible for procuring coverage for these volunteer divers with weekly benefit rates, in the case of an injury, based on the state average weekly wage. Currently, volunteer divers would be paid benefits based on the actual earnings as a diver which, in most cases, would be a negligible amount.

The direct fiscal impact of the bill would be to increase worker's compensation related costs to local units of government that choose to utilize volunteer diving teams. However, some have argued that without the changes contained in the bill, local units will find very difficult to find divers willing to volunteer for these duties since the divers would put themselves at risk of serious injury without adequate worker's compensation coverage. The alternative to establishing a volunteer unit would be to contract with a private entity for these services, which, again due to high worker's compensation costs, would be more expensive to local units of government than utilizing a volunteer team and providing coverage under the bill's provisions.