



State of New Hampshire

Department of Labor

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James W. Craig
 Commissioner of Labor

Kathryn J. Barger
 Deputy Labor
 Commissioner

October 24, 2016

The Honorable Neal M. Kurk, Chairman
 Fiscal Committee of the General Court
 State House
 Concord, New Hampshire 03301


 Approved by Fiscal Committee Date

Her Excellency, Governor Margaret Wood Hassan
 and the Honorable Executive Council
 State House
 Concord, New Hampshire 03301

REQUESTED ACTION

Pursuant to RSA 14:30-a, VI authorize the Department of Labor to budget and expend prior year carry-forward funds in the amount of \$300,000.00 from the Workers' Compensation Fund to fund the implementation of SB 238 effective upon Fiscal Committee and Governor and Council approval through June 30, 2017. **Funding Source: 100% Other Funds.**

Funds are to be appropriated as follows:

02-26-26-261010-62000000 WORKERS COMPENSATION		STATE FISCAL YEAR 2017		
Class & Account	Class Description	Current Appropriation	Amount to Budget	Revised Appropriation
009-402207	Agency Income	7,414,822	300,000	7,714,822
010-500100	Personal Service-Permanent	\$3,193,744	0	\$3,193,744
020-500200	Current Expense	159,373	0	159,373
022-500248	Rents-Leases	28,924	0	28,924
024-500225	Maintenance Other Than B&G	7,515	0	7,515
026-500251	Organizational Dues	2,500	0	2,500
027-502799	Transfers To OIT	1,088,682	0	1,088,682
028-582814	Transfers To General Services	222,556	0	222,556
030-500311	Equipment New/Replacement	62,607	0	62,607
039-500180	Telecommunications	36,282	0	36,282
040-500800	Indirect Costs	171,081	0	171,081
046-500464	Consultants	1	0	1
049-584935	Transfers to Other Agencies	2,300	0	2,300
050-500109	Personal Service-Part Time	337,591	300,000	637,591
057-500535	Books, Periodicals	2,113	0	2,113
060-500602	Benefits	1,782,046	0	1,782,046
064-500540	Additional Fringe Benefits	252,244	0	252,244

070-500704	In-State Travel	60,262	0	60,262
080-500713	Out-Of State Travel	5,001	0	5,001
	TOTAL	\$7,414,822	300,000	7,714,822

EXPLANATION

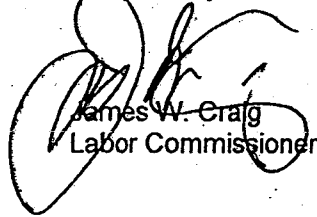
The Department of Labor requests to utilize prior-year unexpended revenues from the Workers' Compensation Fund to cover the costs associated with the implementation of SB 238, which became effective on April 15, 2016. SB 238 states in part: "III. Attorney members of the board shall receive [\$200] \$400 per diem and all other members of the board shall each receive [\$150] \$250 per diem for each day devoted to the work of the board and shall be reimbursed for necessary travel expenses."

This law affects the financial impact was enacted after the budget process for State Fiscal Years 2016-2017. The approval of this budget and expend request will allow the Department to meet its financial obligations to members of the Compensation Appeals Board.

The Department of Labor is a self-supporting agency.

Your consideration of our request is appreciated.

Respectfully submitted,



James W. Craig
Labor Commissioner

FISCAL SITUATION

Prior Year Balance Forward	\$542,445
Requested Action	<u>(300,000)</u>
Balance Remaining	\$242,445

CHAPTER 18
SB 238-FN - FINAL VERSION

03/12/2015 0729s
03/24/2016 1212EBA

2016 SESSION

15-1022
01/06

SENATE BILL **238-FN**
AN ACT relative to the workers' compensation appeals board.
SPONSORS: Sen. Fuller Clark, Dist 21
COMMITTEE: Executive Departments and Administration

ANALYSIS

This bill adjusts the size of the workers' compensation appeals board and raises the per diem amount of compensation for its members.

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.

CHAPTER 18
SB 238-FN - FINAL VERSION

03/12/2015 0729s
03/24/2016 1212EBA

15-1022
01/06

STATE OF NEW HAMPSHIRE

In the Year of Our Lord Two Thousand Sixteen

AN ACT relative to the workers' compensation appeals board.

Be it Enacted by the Senate and House of Representatives in General Court convened:

1 18:1 Compensation Appeals Board; Membership. Amend RSA 281-A:42-a, I to read as follows:

2 I. There is established a compensation appeals board. The board shall consist of a pool of
3 *not less than 21 and not more than 33* members, of which ~~11~~, *to the extent possible, 1/3 of*
4 *the* members shall represent labor, ~~11~~ *1/3 of the* members shall represent employers or workers'
5 compensation insurers and ~~11~~ *1/3 of the* members shall be attorneys who shall be neutral.
6 Members of the board shall be appointed by the governor and council from a list of nominees
7 submitted by the commissioner. The commissioner shall submit at least 2 nominees for each
8 vacancy to be filled. Any person appointed by the governor and council who is not qualified or who
9 ceases to be qualified in the capacity in which such person is serving on the appeals board shall be
10 replaced by the governor and council. Terms of board members shall be 3 years, except the initial
11 appointments shall be staggered so that no more than 1/3 of the members' terms shall expire in the
12 same year. Members of the board shall have at least 5 years' experience in the area of workers'
13 compensation. As a condition to maintaining eligibility to hear appeals, board members shall have
14 at least 10 hours annually of training and briefing in the area of workers' compensation and
15 relevant disciplines. The commissioner, or designee, with the assistance of the attorney general's
16 staff shall supervise and approve the training. The commissioner shall have the authority to
17 suspend the eligibility of any member of the board who is not in compliance with such annual
18 training requirements, and to reinstate such member's eligibility upon compliance. The
19 commissioner may suspend from active participation any board member who fails to render a
20 decision or order within 30 days of the hearing as required by RSA 281-A:43, I(b). The
21 commissioner may rescind the suspension once the board member is in compliance with RSA 281-
22 A:43, I(b). Appeals from a decision of the commissioner or the commissioner's representative shall
23 be heard de novo by a 3-member panel, composed of an attorney who shall serve as chair, one
24 member representing labor and one member representing employers or workers' compensation
25 insurers. At least 2 like votes shall be necessary for a decision by the panel. The board shall hear
26 appeals, in accordance with RSA 281-A:43, I(b), from the decisions of the commissioner made
27 pursuant to RSA 281-A:43. No person who is an interested party or an employee of an interested
28 party shall participate as a member of the panel. The board shall conduct its proceedings in such a
29 manner as to ensure a fair and impartial hearing.

30 18:2 Compensation Appeals Board; Compensation. Amend RSA 281-A:42-a, III to read as

CHAPTER 18
SB 238-FN - FINAL VERSION

- Page 2 -

1 follows:

2 III. Attorney members of the board shall receive [~~\$200~~] \$400 per diem and all other
3 members of the board shall each receive [~~\$150~~] \$250 per diem for each day devoted to the work of
4 the board and shall be reimbursed for necessary travel expenses.

5 18:3 Effective Date. This act shall take effect upon its passage.

6

7 Approved: April 15, 2016

8 Effective Date: April 15, 2016