

SOUTH CAROLINA REVENUE AND FISCAL AFFAIRS OFFICE STATEMENT OF ESTIMATED FISCAL IMPACT

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This fiscal impact statement is produced in compliance with the South Carolina Code of Laws and House and Senate rules. The focus of the analysis is on governmental expenditure and revenue impacts and may not provide a comprehensive summary of the legislation.

Introduced on May 4, 2021 **Bill Number:** H. 4321

Author: J. E. Johnson

Subject: Workers' Compensation House Ways and Means Requestor:

RFA Analyst(s): **Boggs**

Impact Date: April 18, 2022

Fiscal Impact Summary

This bill changes the notice requirements for filing an action against a third party in a workers' compensation claim in relation to commencement deadlines. This bill removes that thirty-day deadline for providing notice of commencement of the action to the Workers' Compensation Commission (WCC) and adds that failure to notify the appropriate parties does not result in dismissal of the workers' compensation or third-party claim.

This bill will have no expenditure impact because WCC indicates it can manage the additional expenditures within current appropriations.

Explanation of Fiscal Impact

Introduced on May 4, 2021 State Expenditure

This bill removes the one-year deadline after the carrier accepts liability for the payment of compensation or makes payment pursuant to an award for an action against the third party in a workers' compensation claim to be commenced. Further, this bill removes that thirty-day deadline for providing notice of commencement of the action to WCC. Additionally, failure to notify WCC, the employer, or the carrier will not cause dismissal of either the worker' compensation claim or the third-party claim.

WCC indicates this bill will have a minimal expenditure impact that can be absorbed within current appropriations.

State Revenue

N/A

Local Expenditure

N/A

Local Revenue

Frank A. Rainwater, Executive Director