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FISCAL IMPACT REPORT

SPONSOR: Stapleton DATE TYPED: 02/13/03 HB 502

SHORT TITLE: Rehiring of Injured Workers SB _____

ANALYST: Gilbert

APPROPRIATION

Appropriation Contained		Estimated Additional Impact		Recurring or Non-Rec	Fund Affected
FY03	FY04	FY03	FY04		
			NFI		

(Parenthesis () Indicate Expenditure Decreases)

Relates to HB 503

SOURCES OF INFORMATION

LFC Files

No Response Received From
Workers' Compensation Administration (WCA)

SUMMARY

Synopsis of Bill

House Bill 502 amends NMSA 1978, § 52-1-50.1 of the Workers' Compensation Act to require employers to offer to rehire an injured worker, who has reached maximum medical improvement, to the same job (and at a comparable wage) that the worker held before the injury, provided that that same (pre-injury) job is available and the worker's treating health care provider certifies that the worker is fit to carry out that job without significant risk of re-injury. Under the current language of NMSA 1978, § 52-1-50.1, the employer must offer to rehire the injured worker (who has reached or not reached maximum medical improvement) to his former (pre-injury) job or to a modified job similar to his former job, and the employer is free to offer employment at a lower wage. Under this bill, the employer does not have to offer to rehire an injured worker if that worker's pre-injury job is available.

This bill also indirectly sanctions employers who fail to offer their injured workers (who have reached maximum medical improvement) their former jobs by making employers provide work-

ers with continued temporary total disability benefits for a period of up to six months, or until the worker returns to work for another employer and earns at least 80% of his/her pre-injury wage, whichever is sooner. The bill also requires employers, who fail to offer injured workers (who have reached maximum medical improvement) their former jobs, to provide employees with vocational rehabilitation services designed to return the worker to gainful employment in a job related to the former employment or suitable employment in a unrelated work field.

Significant Issues

HB 502 appears to allow employers to not rehire injured workers, if those workers' previous jobs are now unavailable or filled by other employees. The bill does not require employers to keep an injured employee's job open in the event that he or she might be able to return to work.

RLG/nw