

Department of Planning and Budget
2025 General Assembly Session
State Fiscal Impact Statement

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ORIGINAL

Bill Number: SB1299-S1

Patron: McPike

Bill Title: Workers' compensation; injury or death caused by employer's gross negligence or willful misconduct; cause of action.

Bill Summary: The substitute provides that if it is alleged that the injury or death of an employee is caused by an employer's gross negligence or willful misconduct, the employee may either claim compensation under the Workers' Compensation Act or maintain an action at law for damages against the employer. Every action for injury or death caused by an employer's gross negligence or willful misconduct shall be brought within two years after the cause of action accrues.

Budget Amendment Necessary: No.

Items Impacted: None.

Explanation: The substitute does not change the fiscal impact. The fiscal impact of the proposed legislation is indeterminate.

Fiscal Summary: According to the Department of Human Resource Management (DHRM), its Office of Workers' Compensation (OWC) program does not pay civil claims; therefore, the fiscal impact of the proposed legislation cannot be determined.

Fiscal Analysis: Because DHRM's OWC does not pay civil claims, the fiscal impact of the proposed legislation may be significant. However, the fiscal impact cannot be determined because it is not known how many actions would be filed pursuant to the passage of the proposed legislation. DHRM expects it would need to establish a separate fund to pay civil penalties as opposed to workers' compensation judgements.

According to the Virginia Workers' Compensation Commission, the proposed legislation may increase claim payments from the Uninsured Employer's Fund, but the fiscal impact cannot be determined.

Other: None.