

HB 1231-FN - AS INTRODUCED

2022 SESSION

22-2413  
04/05

HOUSE BILL ***1231-FN***

AN ACT relative to failure to make payment of compensation.

SPONSORS: Rep. Abramson, Rock. 37

COMMITTEE: Labor, Industrial and Rehabilitative Services

ANALYSIS

This bill provides for penalties against workers' compensation insurance carriers or self-insured entities which make late benefit payments to injured workers.

Explanation: Matter added to current law appears in ***bold italics***.  
Matter removed from current law appears ~~[in brackets and struck through]~~  
Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.  
22-2413  
04/05

STATE OF NEW HAMPSHIRE

*In the Year of Our Lord Two Thousand Twenty Two*

AN ACT relative to failure to make payment of compensation.

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

1 Findings. The general court finds that:

- I. Workers' compensation was formed as compromise where employers were allowed to pay less in exchange for paying workers immediately and without the need to hire an attorney.
- II. Some employers are taking advantage of injured workers by delaying or denying claims, forcing injured workers to hire an attorney to recover payments.
- III. Workers injured on the job are left with unpaid medical bills, late fees, high credit card interest payments, evictions, foreclosure, repossession, bankruptcy, and homelessness because workers' compensation carriers are intentionally delaying or denying payments for lost wages to those workers.
- IV. Timely payments will not be made by carriers unless faced with some penalty for failure to make good on the claims that they've been paid to meet.

2 Workers' Compensation; Failure to Make Payment of Compensation. Amend RSA 281-A:42, V-VI to read as follows:

V.**(a)** Any insurance carrier or self-insurer who fails to file a timely memorandum in accordance with this section and who makes late payment to the employee, shall pay interest to such employee at the same rate as for judgments under RSA 336:1, II from the date the payment was due until it is paid.

~~[VI.]~~ **(b)** In addition to ~~[paragraph V]~~ **subparagraph (a)**, any insurance carrier, self-insurer, or claims adjusting company who fails to file either the memorandum of payment of disability compensation or the memorandum of

denial of compensation benefits in a timely manner shall be assessed a civil penalty of up to \$2,500.

*(c) For payments made to an employee more than 60 days after the injury is first reported, if an employee's average weekly wage is more than 30 percent of the state's average weekly wage, weekly compensation shall be 100 percent of that employee's average weekly wage or 50 percent of the state's average weekly wage, whichever is greater, but in no event shall weekly compensation exceed 250 percent of the state's average weekly wage rounded off to the nearest dollar, as the commissioner determines, for the year in which the injury occurred.*

3 Effective Date. This act shall take effect 60 days after its passage.

LBA  
22-2413  
10/22/21

**HB 1231-FN- FISCAL NOTE  
AS INTRODUCED**

AN ACT relative to failure to make payment of compensation.

**FISCAL IMPACT:**    ☒ State                    ☒ County                    ☒ Local                    ☐ None

STATE:	Estimated Increase / (Decrease)			
	FY 2022	FY 2023	FY 2024	FY 2025
<b>Appropriation</b>	\$0	\$0	\$0	\$0
<b>Revenue</b>	\$0	\$0	\$0	\$0
<b>Expenditures</b>	\$0	Indeterminable Increase	Indeterminable Increase	Indeterminable Increase
<b>Funding Source:</b>	<input checked="" type="checkbox"/> General Government Funds <input type="checkbox"/> Education <input type="checkbox"/> Highway <input checked="" type="checkbox"/> Other - Various			

**COUNTY:**

<b>Revenue</b>	\$0	\$0	\$0	\$0
<b>Expenditures</b>	\$0	Indeterminable Increase	Indeterminable Increase	Indeterminable Increase

**LOCAL:**

<b>Revenue</b>	\$0	\$0	\$0	\$0
<b>Expenditures</b>	\$0	Indeterminable Increase	Indeterminable Increase	Indeterminable Increase

**METHODOLOGY:**

This bill provides for penalties against workers' compensation insurance carriers or self-insured entities which make late benefit payments to injured workers.

The Department of Labor does not anticipate the bill would result in an increase in revenue at the state, county or local levels. The Department states it is possible that there could be an increase in expenditures at the state, county and local levels as there could be added workers' compensation costs resulting from the enhanced payments. The Department indicates such potential increases are indeterminable because it is not possible to quantify any such increases, or the effect that they would have on related premiums.

It is assumed that any fiscal impact would occur after FY 2022.

**AGENCIES CONTACTED:**

