

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS
FISCAL IMPACT STATEMENT**

LS 7159

BILL NUMBER: HB 1214

NOTE PREPARED: Mar 25, 2025

BILL AMENDED: Mar 20, 2025

SUBJECT: Worker's Compensation.

FIRST AUTHOR: Rep. Lehman

FIRST SPONSOR: Sen. Zay

BILL STATUS: 2nd Reading - 2nd House

FUNDS AFFECTED: X GENERAL
X DEDICATED
X FEDERAL

IMPACT: State & Local

Summary of Legislation: The bill provides that, after June 30, 2025, a party may not prohibit an employer from bidding on a contract solely on the basis of the employer's experience rating.

Effective Date: July 1, 2025.

Explanation of State Expenditures: *All Agencies as Employers/Contractees:* The bill prevents a party (after June 30, 2025) from prohibiting an employer from bidding on a contract solely on the basis of the employer's experience rating for workers' compensation, but it does not prevent parties awarding contracts from considering the employer's experience rating. This may impact future contract costs and negotiations. The experience rating has historically been a factor considered in the safety evaluation of a construction operation or contractor. This could increase the potential number of contract bids, yet the impact on costs is indeterminate at this time.

Explanation of State Revenues:

Explanation of Local Expenditures: *All Units as Employers/Contractees:* The bill prevents a party (after June 30, 2025) from prohibiting an employer from bidding on a contract solely on the basis of the employer's experience rating for workers' compensation and could impact contract costs and negotiations.

Explanation of Local Revenues:

State Agencies Affected: All.

Local Agencies Affected: All.

Information Sources:

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