

**FISCAL NOTE**

The fiscal impact is indeterminable.

This bill increases the maximum liability amounts for claims authorized under the Wyoming Governmental Claims Act.

The Department of Administration and Information (Department) states that the increased maximum claim amounts in the bill will result in increased expenditures from the State Self Insurance Pool (Pool) for increased claims.

Although the full impact cannot be determined, the Department currently estimates that claims costs may increase by \$900,000 to \$1,000,000 per fiscal year, based on an actuarial study completed in January 2025. The study projected that the proposed \$1 million / \$2 million limits could result in approximately a 22% increase in claim costs, which forms the basis of this estimate.

This estimate does not account for the potential increase in the number of claims that may result from the higher claim limits; therefore, the projected range may be understated. It is likely that the increased caps will encourage more claims to be filed, as they create a more favorable environment for plaintiff attorneys, regardless of the actual damages sustained in an incident.

In addition, increasing the caps by a minimum of 3 percent annually will increase the fiscal impact on a continuing basis. Biennial appropriations would likely need to be adjusted to keep pace with the increasing caps.

The Attorney General's Office noted the higher liability limits may increase litigation costs by encouraging more lawsuits and extending the duration of current suits that may otherwise be resolved at the lower limit. The potential for increased litigation may put a strain on current Attorney General staffing levels to manage the possible higher workloads.

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