

**COMMONWEALTH OF KENTUCKY STATE FISCAL NOTE STATEMENT  
LEGISLATIVE RESEARCH COMMISSION  
2015 REGULAR SESSION**

**MEASURE**

2015 BR NUMBER **0826**

**HOUSE** BILL NUMBER **156**

RESOLUTION NUMBER \_\_\_\_\_

AMENDMENT NUMBER \_\_\_\_\_

**SUBJECT/TITLE** **An ACT relating to firefighters.**

**SPONSOR** **Representative Denver Butler**

**NOTE SUMMARY**

FISCAL ANALYSIS:  IMPACT     NO IMPACT     INDETERMINABLE IMPACT

LEVEL(S) OF IMPACT:  STATE     LOCAL     FEDERAL

BUDGET UNIT(S) IMPACT: **Kentucky Community and Technical College System**

FUND(S) IMPACT:  GENERAL     ROAD     FEDERAL     RESTRICTED AGENCY \_\_\_\_\_  OTHER

**FISCAL SUMMARY**

<b>FISCAL ESTIMATES</b>	<b>2014-2015</b>	<b>2015-2016</b>	<b>ANNUAL IMPACT AT FULL IMPLEMENTATION</b>
<b>REVENUES</b>			
<b>EXPENDITURES</b>			Approximately \$2 million
<b>NET EFFECT</b>			(Approximately \$2 million)

( ) indicates a decrease/negative

**MEASURE'S PURPOSE:** HB 156 provides that workers' compensation insurance for both paid and volunteer firefighters shall be paid by the Commission on Fire Protection Personnel Standards and Education (Commission) from the Firefighters Foundation Program Fund (FFPF). The measure also establishes certain types of cancer as occupational diseases for firefighters and a rebuttable presumption for the awarding of benefits if certain conditions are met. HB 156 eliminates the rebuttable presumption during periods in which the Commission does not provide workers' compensation coverage.

**PROVISIONS/MECHANICS:** HB 156 amends KRS 95A.262 to require the Commission on Fire Protection Personnel Standards and Education to purchase workers' compensation insurance for paid and volunteer firefighters; creates a new section of KRS Chapter 95A establishing a rebuttable presumption that specific types of cancer, resulting in either temporary or permanent disability or death, are an occupational disease under KRS chapter 342 for paid or volunteer firefighters; specifies that a recipient firefighter must have worked as a firefighter for 5 years or

more and not used tobacco for ten years prior any cancer diagnosis; specifies that if the Commission fails to provide workers' compensation insurance, then the rebuttable presumption for cancer does not exist.

**FISCAL EXPLANATION:** The fiscal impact of HB 156 is expected to be an approximately \$2 million increase in the amount the Commission expends for workers' compensation insurance from the FFPP. The FFPP receives funds from the insurance premium surcharge levied under KRS 136.392. The Commission currently covers workers' compensation for all volunteer firefighters, approximately 20,000, at a cost of approximately \$3.4 million. The Commission and the Personnel Cabinet estimate that the measure would bring between 3,500-4,000 paid firefighters under their workers' compensation coverage at an additional cost to the FFPP of approximately \$2 million per year. There may be additional costs in future years related to the establishment of certain cancers as occupational diseases and the rebuttable presumption, but the number of claims by firefighters that would qualify under these conditions is indeterminable.

**DATA SOURCE(S): LRC Staff; Commission on Fire Protection Personnel Standards and Education; Personnel Cabinet**

**PREPARER: Perry Papka NOTE NUMBER: 33 REVIEW: GMR DATE: 2/18/2015**