# Local Mandate Fiscal Impact Estimate Kentucky Legislative Research Commission 2015 Regular Session

## **Part I: Measure Information**

Bill Request #: 826
Bill #: HB 156 GA
Bill Subject/Title: An act relating to firefighters.
Sponsor: Representative Denver Butler
Unit of Government:XCityXCountyXUrban-CountyXCharter CountyXConsolidated LocalXGovernment
Office(s) Impacted: Fire departments; Local government finance departments
Requirement: <u>X</u> Mandatory Optional
Effect on Powers & Duties: X Modifies Existing Adds New Eliminates Existing

# Part II: Purpose and Mechanics

HB 156 creates a new section of KRS Chapter 95A which establishes that cancer resulting in temporary disability is an occupational disease as defined in KRS 342.0011. However, if tobacco products were used ten (10) or fewer years before cancer diagnosis, the firefighter must demonstrate proof that the cancer was caused during service. The provision applies to full-time paid and volunteer firefighters with five or more years of employment who demonstrate that they were exposed to known carcinogens as defined by the International Agency for Research on Cancer of the National Toxicology Program and that the carcinogen is reasonably associated with disabling cancer.

Compensation must include full reimbursement for related medical expenses in accordance with fees and charges in KRS Chapter 342 and compensation under KRS Chapter 342 for disability or death. The measure provides a period of coverage for a diagnosis following termination of employment based on the employee's years of service. The provision does not create an irrefutable presumption.

# Part III: Fiscal Explanation, Bill Provisions, and Estimated Cost

The fiscal impact of HB 156 on local government is expected to be an unknown savings.

As a point of information, the Kentucky Fire Commission notes that there are approximately **3,182 full-time paid firefighters**, as defined in KRS 75.400 and approximately **17,139 volunteer firefighters**. The Kentucky Fire Commission pays the cost of worker's compensation insurance for volunteer firefighters.

The Kentucky Professional Firefighters Association, Kentucky Fire Commission, Kentucky Association of Fire Chiefs, and Kentucky League of Cities, indicated the bill will result in savings to local governments. The Kentucky Fire Commission will process and pay for worker's compensation claims, rather than local governments. Because the claims will be paid through the Kentucky Fire Commission, the resulting costs for local governments will **decrease**. A representative from the Kentucky Association of Counties noted that county governments **will not** experience as much of a decrease as cities, because cities have more full-time and volunteer firefighters.

#### The Kentucky Association of Counties indicated that cancer presumption legislation may save counties in the short term, but budget constraints would create additional costs for them in the long-term.

Fire Chiefs, Kentucky League of
ties
Y <b>Date:</b> 1/15/15
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