

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 4252-02  
Bill No.: SB 966  
Subject: Emergencies; Fire Protection; Law Enforcement Officers and Agencies; Medical Procedures and Personnel; Workers' Compensation.  
Type: Original  
Date: March 3, 2008

Bill Summary: This proposal provides additional workers' compensation benefits for public safety workers killed in the line of duty.

**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>			
FUND AFFECTED	FY 2009	FY 2010	FY 2011
<b>Total Estimated Net Effect on General Revenue Fund</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

<b>ESTIMATED NET EFFECT ON OTHER STATE FUNDS</b>			
FUND AFFECTED	FY 2009	FY 2010	FY 2011
Workers Compensation Administration Fund	(\$130,000)	(Unknown greater than \$770,000)	(Unknown greater than \$1,650,000)
<b>Total Estimated Net Effect on <u>Other</u> State Funds</b>	<b>(\$130,000)</b>	<b>(Unknown greater than \$770,000)</b>	<b>(Unknown greater than \$1,650,000)</b>

Numbers within parentheses: ( ) indicate costs or losses.  
This fiscal note contains 7 pages.

<b>ESTIMATED NET EFFECT ON FEDERAL FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2009</b>	<b>FY 2010</b>	<b>FY 2011</b>
<b>Total Estimated Net Effect on <u>All</u> Federal Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

<b>ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)</b>			
<b>FUND AFFECTED</b>	<b>FY 2009</b>	<b>FY 2010</b>	<b>FY 2011</b>
<b>Total Estimated Net Effect on FTE</b>	<b>0</b>	<b>0</b>	<b>0</b>

Estimated Total Net Effect on All funds expected to exceed \$100,000 savings or (cost).

Estimated Net Effect on General Revenue Fund expected to exceed \$100,000 (cost).

<b>ESTIMATED NET EFFECT ON LOCAL FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2009</b>	<b>FY 2010</b>	<b>FY 2011</b>
<b>Local Government</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

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## FISCAL ANALYSIS

### ASSUMPTION

Officials at the **Department of Labor and Industrial Relations (DOLIR)** assume the legislation requires compensation of a \$100,000 benefit paid in the case of an emergency medical technician, firefighter, paramedic, police officer, corrections officer or juvenile justice officer killed in the line of duty as defined in the bill. The bill also authorizes a burial benefit of up to \$10,000. Payment of the benefit is made by the Division of Workers' Compensation from funds that are subject to appropriations for that purpose. The bill does not indicate where the money for benefits comes from and the Department assumes it will come from the Workers' Compensation Administrative Fund. A search of the Division's computer system shows that over the four year period 2003 to 2006 there was an average of 15 deaths of the occupations Emergency Medical Technician, Firefighter, Law enforcement officer, Paramedic, Volunteer firefighter and correctional officer. The Division is unable to determine through its injury and fatality coding system whether any deaths for the occupations supervisors, wardens, superintendents, youth supervisors, parole agents, school teachers and correctional counselors occurred in the line of duty as defined in the bill. This number also does not include any deaths where the occupation may have been coded in error when reported to the Division, but that may be eligible for the benefit provided for in the bill. For 15 deaths, the total compensation paid would be \$1,500,000. In addition, if the burial benefit paid equaled \$10,000 for each case, that would be an additional \$150,000 for a total of \$1,650,000 paid from the Workers' Compensation Administrative Fund. Since it is possible there may be additional deaths eligible for the benefit because of mis-coding of the occupation, or the occupation not clearly identifiable in the Division's computer system, the total benefits paid annually could be higher.

The Department will be required to process claims for benefits under this proposal, monitor claims and process payments. Therefore the Division is requesting one half FTE of a Work Comp Tech II to handle these responsibilities. Additionally, the Department would have to make changes in its computer system to track cases where the benefit was claimed and paid. The cost of these computer changes is unknown.

**Oversight** assumes that the Department of Labor could absorb the costs of updating the computer system with existing resources. Additionally they can absorb the responsibilities of this proposal with existing staff. Should a substantial number of claims be filed based on this bill then the Department could request funding through the appropriation process.

**Oversight** assumes that during the four year period reviewed 15 people could have filed a claim under this proposal. Oversight assumes that the actual number of people killed during that time

ASSUMPTION (continued)

was likely greater. The benefits would be paid for deaths after January 1, 2010, therefore, Oversight will assume 7 deaths in FY 2010 (for one-half of a fiscal year). Oversight has shown in this fiscal note that the amount paid out yearly from the Workers Compensation Administration Fund would be "unknown greater than \$1,650,000."

**Oversight** assumes the burial benefits of \$10,000 will be effective August 28, 2008, and therefore will assume 13 deaths (15 x 10/12) in FY 2009.

Officials at the **Missouri Highway Patrol** assume the first trooper who died in the line of duty was in 1933. To date, there have been 28 total, 9 of those occurring since 1999. Something like this is impossible to predict, but if the Patrol were to take the average of the past 9 years, there has been approximately one trooper per year who died in the line of duty. Based solely on that average, the cost of this legislation would have been approximately \$110,000 per year, presumably from General Revenue funds. For purposes of this fiscal note, that would be our estimate for future years as well.

Officials at the **Department of Natural Resources** assume they have 50 full-time rangers and commissioned facility managers who will be affected by this proposed legislation. The fiscal impact would depend on the number of law enforcement killed in the line of duty and what fund would be used to pay the claimant. Since this proposal does not specifically identify which fund would be used to pay the eligible beneficiary, the fiscal impact to the division is unknown.

Officials at the **Department of Public Safety, Fire Safety, Alcohol and Tobacco Control, Department of Conservation, Capitol Police, Office of the State Courts Administrator, Water Patrol, Office of the Attorney General, Department of Corrections** and the **Department of Health and Senior Services** assume that there is no fiscal impact from this proposal.

<u>FISCAL IMPACT - State Government</u>	FY 2009 (10 Mo.)	FY 2010	FY 2011
<b>WORKERS COMPENSATION ADMINISTRATION FUND</b>			
<u>Cost- Department of Labor</u>			
Burial Benefits	<u>(\$130,000)</u>	<u>(Unknown greater than \$70,000)</u>	<u>(Unknown greater than \$150,000)</u>
<u>Cost- Department of Labor</u>			
Death Benefits	<u>\$0</u>	<u>(Unknown greater than \$700,000)</u>	<u>(Unknown greater than \$1,500,000)</u>
<b>ESTIMATED NET EFFECT ON WORKERS COMPENSATION FUND</b>	<b><u>(\$130,000)</u></b>	<b><u>(Unknown Greater than \$770,000)</u></b>	<b><u>(Unknown Greater than \$1,650,000)</u></b>
<u>FISCAL IMPACT - Local Government</u>	FY 2009 (10 Mo.)	FY 2010	FY 2011
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT - Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

FISCAL DESCRIPTION

This act creates the Line of Duty Compensation Act which provides additional workers' compensation benefits in the amount of \$100,000 for firefighters, law enforcement, emergency medical technicians, paramedics, aviation medical crew members, department of corrections employees, and juvenile justice employees who are killed in the line of duty.

For coverage to apply, the death must occur within 300 weeks of an injury received in the course

FISCAL DESCRIPTION (continued)

of duty of the respective profession, and must be caused by violence or accident. Those subject to death arising out of willful misconduct or intoxication are excluded from coverage.

Specific instances of coverage for law enforcement, firefighters, emergency medical technicians, aviation medical crew members, and paramedics are enumerated including death sustained when traveling to and from employment, and certain off-duty activities.

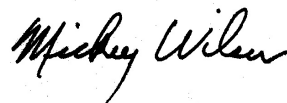
Burial benefits of up to \$10,000 shall be awarded to the surviving spouse, dependent, or estates of those killed in the line of duty.

Under the act, neither employers nor workers' compensation insurers shall have subrogation rights against compensation awarded for claims under the proposed program.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Department of Public Safety  
    Fire Safety  
    Capitol Police  
    Water Patrol  
    Alcohol and Tobacco Control  
Department of Conservation  
State Courts Administrator  
Office of the Attorney General  
Department of Labor and Industrial Relations  
Department of Health and Senior Services  
Department of Corrections  
Missouri Highway Patrol



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Director  
March 3, 2008