

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 1299-03
Bill No.: Perfected HCS for HB Nos. 404 & 614
Subject: Workers Compensation; Law Enforcement Officers and Agencies
Type: Original
Date: April 10, 2013

Bill Summary: This proposal would recognize psychological stress as an occupational disease for paid police officers of a paid police department certified under Chapter 590 if a direct causal relationship is established. In addition, the proposal would expand eligibility for benefits from the Line of Duty Compensation Fund.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2014	FY 2015	FY 2016
General Revenue	\$0 to (Unknown)	\$0 to (Unknown)	\$0 to (Unknown)
Total Estimated Net Effect on General Revenue Fund	\$0 to (Unknown)	\$0 to (Unknown)	\$0 to (Unknown)

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

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2014	FY 2015	FY 2016
Road	\$0 to (Unknown)	\$0 to (Unknown)	\$0 to (Unknown)
Line of Duty Compensation	(Less than \$100,000)	(Less than \$100,000)	(Less than \$100,000)
Total Estimated Net Effect on <u>Other</u> State Funds	(Less than \$100,000 to Unknown)	(Less than \$100,000 to Unknown)	(Less than \$100,000 to Unknown)

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2014	FY 2015	FY 2016
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2014	FY 2015	FY 2016
Total Estimated Net Effect on FTE	0	0	0

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).

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2014	FY 2015	FY 2016
Local Government	\$0 to (Unknown)	\$0 to (Unknown)	\$0 to (Unknown)

FISCAL ANALYSIS

ASSUMPTION

Section 287.067.6 RSMo. - Workers' Compensation:

Officials from the **Office of Administration - Division of General Services (DGS)** assume this proposal would recognize psychological stress as an occupational disease for paid police officers if a direct relationship is established.

DGS officials noted the state's self insured fund provides workers' compensation benefits to Capitol Police Officers, Liquor Control Officers, Park Rangers, Conservation Agents, Fire Marshall Investigators, and Probation and Parole Officers. DGS officials assume this proposal could potentially increase the costs to the state's workers' compensation program.

Officials from the **Department of Natural Resources (DNR)** assume this proposal would recognize psychological stress as an occupational disease for paid police officers if a direct causal relationship applies. DNR officials stated that Missouri State Park Rangers are certified law enforcement officers but noted there is insufficient information on psychological stress as an occupational disease to Park Rangers to estimate the potential fiscal impact from this proposal. Therefore, DNR officials assume this proposal could result in unknown fiscal impact.

Officials from the **Missouri Highway Patrol** deferred to the Office of Administration - Division of General Services for an estimate of the impact of a previous version of this proposal.

ASSUMPTION (continued)

In response to a previous version of this proposal, officials from the **Department of Transportation** stated they have a few such cases in their system and assume the proposal could potentially increase the cost of their workers' compensation program.

Officials from the **City of Kansas City** assume there would be an unknown cost to their organization from this proposal, as an increase in the number of claims could be anticipated.

In response to similar language in HB 614, LR 1561-01 (2013) officials from the **Department of Corrections** assumed the proposal would have no fiscal impact on their organization.

Officials from the **Office of Administration - Division of Personnel**, the **Department of Conservation**, the **Department of Labor and Industrial Relations**, and the **City of Columbia** each assumed this proposal would not fiscally impact their respective organizations.

Oversight notes this proposal would define psychological stress for qualified Missouri peace officers as an occupational disease in the workers' compensation system. Oversight also notes that several agencies with qualifying peace officers have reported existing benefit claims for psychological stress but is not able to determine if this proposal would lead to more claims for coverage. Workers' compensation benefits are paid from the General Revenue Fund and Road Funds for state employees, and by local governments. For fiscal note purposes, Oversight will indicate an impact in a range from \$0 to an unknown cost for these entities.

Amendment 1

These provisions would amend Section 287.243, RSMo and add certain defined public safety employees whose families would be eligible for benefits under the "Line of Duty Compensation Act".

Oversight notes the number of additional eligible public safety employees is unknown and assumes for fiscal note purposes the amendment would increase the cost to the Line of Duty Compensation Fund less than (4 eligible families x \$25,000 benefit) = \$100,000 per year.

<u>FISCAL IMPACT - State Government</u>	FY 2014 (10 Mo.)	FY 2015	FY 2016
GENERAL REVENUE FUND			
<u>Cost - OA</u>			
Workers' compensation claims Section 287.067.6	\$0 to <u>(Unknown)</u>	\$0 to <u>(Unknown)</u>	\$0 to <u>(Unknown)</u>
ESTIMATED NET EFFECT ON GENERAL REVENUE FUND	<u>\$0 to (Unknown)</u>	<u>\$0 to (Unknown)</u>	<u>\$0 to (Unknown)</u>
ROAD FUNDS			
<u>Cost - MODOT</u>			
Workers' compensation claims Section 287.067.6	\$0 to <u>(Unknown)</u>	\$0 to <u>(Unknown)</u>	\$0 to <u>(Unknown)</u>
ESTIMATED NET EFFECT ON ROAD FUNDS	<u>\$0 to (Unknown)</u>	<u>\$0 to (Unknown)</u>	<u>\$0 to (Unknown)</u>
LINE OF DUTY COMPENSATION FUND			
<u>Cost - DOLIR</u>			
Claims Section 287.243	(Less than <u>\$100,000)</u>	(Less than <u>\$100,000)</u>	(Less than <u>\$100,000)</u>
ESTIMATED NET EFFECT ON LINE OF DUTY COMPENSATION FUND	<u>(Less than \$100,000)</u>	<u>(Less than \$100,000)</u>	<u>(Less than \$100,000)</u>

<u>FISCAL IMPACT - Local Government</u>	FY 2014 (10 Mo.)	FY 2015	FY 2016
LOCAL GOVERNMENTS			
<u>Cost - Local governments</u>			
Workers' compensation claims Section 287.067.6	\$0 to <u>(Unknown)</u>	\$0 to <u>(Unknown)</u>	\$0 to <u>(Unknown)</u>
ESTIMATED NET EFFECT ON LOCAL GOVERNMENTS	\$0 to <u>(Unknown)</u>	\$0 to <u>(Unknown)</u>	\$0 to <u>(Unknown)</u>

FISCAL IMPACT - Small Business

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

FISCAL DESCRIPTION

This proposal would recognize psychological stress as an occupational disease for paid police officers of a paid police department certified under Chapter 590 if a direct causal relationship is established.

Amendment 1 would expand eligibility for claims from the Line of Duty Compensation Fund

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

Office of Administration
 Division of General Services
 Division of Personnel
Department of Conservation
Department of Corrections
Department of Labor and Industrial Relations
Missouri Highway Patrol
Department of Natural Resources
Department of Transportation
City of Columbia
City of Kansas City



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Acting Director
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