

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 1314-01  
Bill No.: SB 278  
Subject: Labor and Industrial Relations Department; Law Enforcement Officers and Agencies; Workers' Compensation  
Type: Original  
Date: April 19, 2013

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

**FISCAL SUMMARY**

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

<b>ESTIMATED NET EFFECT ON OTHER STATE FUNDS</b>			
FUND AFFECTED	FY 2014	FY 2015	FY 2016
Road	\$0 to (Unknown)	\$0 to (Unknown)	\$0 to (Unknown)
<b>Total Estimated Net Effect on Other State Funds</b>	<b>\$0 to (Unknown)</b>	<b>\$0 to (Unknown)</b>	<b>\$0 to (Unknown)</b>

Numbers within parentheses: ( ) indicate costs or losses.  
This fiscal note contains 6 pages.

<b>ESTIMATED NET EFFECT ON FEDERAL FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2014</b>	<b>FY 2015</b>	<b>FY 2016</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 2014</b>	<b>FY 2015</b>	<b>FY 2016</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 2014</b>	<b>FY 2015</b>	<b>FY 2016</b>
<b>Local Government</b>	<b>\$0 to (Unknown)</b>	<b>\$0 to (Unknown)</b>	<b>\$0 to (Unknown)</b>

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## 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 this proposal.

In response to similar language in HB 404, LR 1299-1 (2013), 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 **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.

ASSUMPTION (continued)

**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.

<u>FISCAL IMPACT - State Government</u>	FY 2014 (10 Mo.)	FY 2015	FY 2016
<b>GENERAL REVENUE FUND</b>			
<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>
<b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>	<b>\$0 to <u>(Unknown)</u></b>	<b>\$0 to <u>(Unknown)</u></b>	<b>\$0 to <u>(Unknown)</u></b>
<b>ROAD FUNDS</b>			
<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>
<b>ESTIMATED NET EFFECT ON ROAD FUNDS</b>	<b>\$0 to <u>(Unknown)</u></b>	<b>\$0 to <u>(Unknown)</u></b>	<b>\$0 to <u>(Unknown)</u></b>

<u>FISCAL IMPACT - Local Government</u>	FY 2014 (10 Mo.)	FY 2015	FY 2016
<b>LOCAL GOVERNMENTS</b>			
<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>
<b>ESTIMATED NET EFFECT ON LOCAL GOVERNMENTS</b>	<b>\$0 to <u>(Unknown)</u></b>	<b>\$0 to <u>(Unknown)</u></b>	<b><u>(Unknown)</u></b>

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.

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  
Department of Conservation  
Department of Labor and Industrial Relations  
Missouri Highway Patrol  
Department of Natural Resources  
City of Columbia  
City of Kansas City



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