

Date: June 4, 2025	11:56 AM	Author: CHASSION			
Dept./Agy.: Risk Management/Legislative Auditor/Attorney General					
Subject: Extraordinary Me	Analyst: Anthony Shamis				

FUNDS/FUNDING

EG INCREASE GF EX See Note

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Provides for the payment of extraordinary medical and dental expenses of firemen and law enforcement officers

<u>Proposed law</u> provides for the expansion of the powers and duties of the Law Enforcement Officers and Firemen's Survivor Benefit Review Board to pay extraordinary medical and dental expenses for firemen and law enforcement officers injured while performing their official duties. The legislation provides for definitions, exclusions, and a maximum benefit payment of \$50,000 per injury, per officer/fireman. The State Risk Director is authorized to pay claims from the Self-Insurance fund.

<u>Proposed law</u> shall be applicable to extraordinary medical or dental expenses incurred due to an injury arising out of and in the course of the performance of an officer's duties on or after January 1, 2023.

EXPENDITURES	2025-26	2026-27	2027-28	2028-29	2029-30	5 -YEAR TOTAL
State Gen. Fd.	INCREASE	INCREASE	INCREASE	INCREASE	INCREASE	
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total						
REVENUES	2025-26	2026-27	2027-28	2028-29	2029-30	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

## **EXPENDITURE EXPLANATION**

<u>Proposed law</u> requires a State General Fund (SGF) deposit of an indeterminable amount into the Self-Insurance Fund to cover the cost for the benefits proposed in this legislation.

<u>Proposed law</u> provides for the payment of extraordinary medical and dental expenses for law enforcement officers and firemen by the Office of Risk Management (ORM), on behalf of, the Law Enforcement Officers and Firemen's Survivor Benefit Review Board. A specific appropriation for this purpose will be deposited into ORM's Self-Insurance Fund. ORM's Self-Insurance Fund consists of premium payments from participants in the state's risk management program. The Self-Insurance Fund does not collect premiums for the type of benefits outlined in the proposed legislation. Revenues derived from self-insurance premiums cannot be used directly for this purpose. Therefore, a SGF deposit into the Self-Insurance Fund is required to make payments for the benefits included in this legislation.

According to ORM, the SGF deposit will be used for: (1) the payment of claims (up to \$50,000 per injury per claimant); (2) defense costs (if a suit is filed for a denied claim); and (3) additional administrative costs (additional ORM staff or service fees to ORM's Third Party Administrator) to process payments. ORM is not aware of any pending claims or historical data to calculate a potential fiscal impact, so the impact is indeterminable at this time.

## **REVENUE EXPLANATION**

There is no anticipated direct material effect on governmental revenues as a result of this measure.



3.5.2 >= \$500,000 Annual Tax or Fee Change {S & H} House (X) 6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S}

 $(1)(1) > - 3100,000 301 1130a1 0030 {11 x 3}$ 

6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}

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Patrice Thomas Deputy Fiscal Officer