LEGISLATIVE FISCAL OFFICE
Fiscal Note

Louisiana Legislative Fiscal Office — Fiscal Notes

Fiscal Note On: **HB 1072** HLS 22RS 2531
Bill Text Version: **ENGROSSED**
Opp. Chamb. Action: **W/ SEN FLOOR AMD**
Proposed Amd.:
Sub. Bill For.: HB 878

Date: June 3, 2022 8:39 AM **Author:** HORTON
Dept./Agy.: Local Governmental Entities and Classified Police Service
Subject: Police Officers' Hearing Loss **Analyst:** Patrice Thomas

CIVIL SERVICE/FIRE & POL EGF INCREASE LF EX See Note

Provides for hearing loss as an occupational disease while employed in the classified police service

Proposed law provides that the development of hearing loss (10 dB HL or greater than that of the affected employee's comparable age group in the general population) while employed in the classified police service is classified as a disease or infirmity connected with employment and entitles the employee to all medical benefits, including hearing aids. Proposed law provides that such hearing loss is presumed to have occurred as a result of employment and hazardous noise exposure when an annual diagnostic hearing test reveals a decrease of 10 dB HL from the baseline hearing exam. Proposed law provides the presumption is rebuttable and extends to an employee following termination of service for 24 months. Proposed law provides that each person selected for an entry-level position in the classified fire service on and after August 1, 2022 shall submit to a baseline audiology examination, audiology examinations every 5 years, and a final termination audiological evaluation.

EXPENDITURES	**2022-23**	**2023-24**	**2024-25**	**2025-26**	**2026-27**	**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	INCREASE	INCREASE	INCREASE	INCREASE	INCREASE	
Annual Total						

REVENUES	**2022-23**	**2023-24**	**2024-25**	**2025-26**	**2026-27**	**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

The proposed law will increase Local Fund expenditures by a significant amount as a result of performing audiology (hearing) exams and will likely result in increased Worker's Compensation claims. The proposed law adds hearing loss developed during employment by classified police service as an occupational disease. Also, beginning August 1, 2022, the proposed law requires each newly hired classified police officer to submit to a baseline hearing exam upon hire, hearing exams every 5 years, and a final termination hearing evaluation at the end of service.

Audiology (Hearing) Examinations

The proposed law requires local municipalities to perform baseline, exams every 5 years, and final termination hearing exams on newly hired classified police officers. Local municipalities hire approximately 300 police officers every year. Beginning August 1, 2022, local municipalities will have to conduct at least 300 hearing initial hearing exams at an average cost of $250 per exam for new classified police officers, which is estimated to costs $75,000. In subsequent fiscal years, the cost is anticipated to exponentially increase as local municipalities will have to perform initial exams on new officers as well as hearing exams on existing officers every 5 years.

Worker's Compensation Claims

The proposed law adds hearing loss while employed in the classified police service as an occupational disease. This likely will result in increased Worker's Compensation claims for hearing loss. The LA Municipal Association (LMA) estimates 2,438 claims per year at $7,500 in medical expenses per claim, a total cost of $18,281,250. These claims would be presumption claims under the preponderance of evidence language and without litigation. In addition, there will be indeterminable litigation costs associated with denying and challenging claims. The estimated defense cost is $10,000 per case.

Disability Retirement Claims

To the extent this measure increases the number of service related disability claims, the proposed law would increase local governmental pension expenditures by an indeterminate amount. Also, the proposed law may shift some non-service related disability claims to service-related claims by local governments.

REVENUE EXPLANATION

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

Senate — Dual Referral Rules — House

- [x] 13.5.1 >= $100,000 Annual Fiscal Cost {S & H}
- [ ] 13.5.2 >= $500,000 Annual Tax or Fee Change {S & H}
- [ ] 6.8(F)(1) >= $100,000 SGF Fiscal Cost {H & S}
- [ ] 6.8(G) >= $500,000 Tax or Fee Increase or a Net Fee Decrease {S}

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