

LEGISLATIVE FISCAL OFFICE Fiscal Note

Fiscal Note On: **HB 878** HLS 22RS 1221

Bill Text Version: ORIGINAL

Opp. Chamb. Action:

Proposed Amd.: Sub. Bill For.:

Date: April 14, 2022 8:32 AM Author: HORTON

Dept./Agy.: Local Governmental Entities and Classified Police Service

Subject: Police Officers' Hearing Loss

Analyst: Patrice Thomas

CIVIL SERVICE/FIRE & POL

OR INCREASE LF EX See Note

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

<u>Proposed law</u> provides that the development of a certain percentage of hearing loss (10% 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 an occupational disease and entitles the employee to all medical benefits, including hearing prosthesis, to which one suffering from an occupational disease is entitled. <u>Proposed law</u> provides that such hearing loss is presumed to have occurred as a result of employment if it is manifested at any time after the first five years of employment in such service. However, this presumption shall be rebuttable by evidence meeting judicial standards and shall b extended to an employee following termination of service for a period of 24 months. <u>Proposed law</u> 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.

EXPENDITURES	2022-23	2023-24	2024-25	<u>2025-26</u>	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
					+0	40
Local Funds	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

EXPENDITURE EXPLANATION

The proposed law will increase Local Fund expenditures by a significant amount as a result of increased Worker's Compensation claims. The proposed law adds hearing loss developed during employment by classified police service as an occupational disease. Based on actuarial, historical, and data studies as well as medical and legal costs, the LA Municipal Association (LMA) reports an aggregate annual cost of \$37.8 M for increased workers' compensation claims and increased workers' compensation rates for police agencies as rates are based on paid claims. In addition, police agencies will have increased expenditures for administering the audiology examinations to new hires beginning August 1, 2022. Local municipalities hire approximately 300 police officers every year.

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 <u>Dual Referral Rules</u>	House	
x 13.5.1 >= \$100,000 Annual Fiscal Cost {S & H}	$6.8(F)(1) >= $100,000 SGF Fiscal Cost {H & S}$	Evan Brasseaux
13.5.2 >= \$500,000 Annual Tax or Fee Change {S & H}	6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}	Evan Brasseaux Interim Deputy Fiscal Officer