Department of Legislative Services

Maryland General Assembly

FISCAL NOTE Revised

Senate Bill 173 (The President. *et al.*) (Administration)

Finance

Public Safety and Emergency Services Personnel - Death Benefits

This Administration bill requires State payment of death benefits (\$50,000) and funeral benefits (\$10,000) if a volunteer or career firefighter or rescue squad member is killed or dies while in the "performance of duties", as defined. In addition, the bill alters provisions relating to the payment of those benefits by: (1) adding the "estate" of an entitled decedent as an entity that must receive each of the benefits; (2) replacing the term "professional" as a description of entitled firefighters with the term "career"; (3) replacing reference to "line of duty" with "performance of duties"; and (4) if there is no surviving spouse or children for payment of the funeral benefit, the payment must be made to a surviving parent, or to the estate of the decedent if there is no surviving parent.

Beginning in fiscal year 1999, the death benefit must be annually adjusted to reflect changes in the consumer price index, as specified. The bill is applied to persons who die on or after September 1, 1995.

Fiscal Summary

State Effect: Potential indeterminate increase in general fund expenditures for the Department of Public Safety and Correctional Services (DPSCS). Revenues would not be affected.

Local Effect: None.

Small Business Effect: A small business impact statement was not provided by the Administration in time for inclusion in this fiscal note. A revised fiscal note will be issued when the Administration's assessment becomes available.

Fiscal Analysis

State Expenditures: Death and funeral benefits are paid by the DPSCS out of general funds appropriated for this purpose. The number of such annual death and funeral benefit payments made in recent years has been between five and seven. However, since this bill's definition of "performance of duty" appears broader than the current law reference to the "line of duty" which is not defined, this bill expands the circumstances under which there would be an entitlement to each of these benefits.

In addition, inclusion of the "estate" of public safety and emergency services personnel as an entity entitled to each of these benefits eliminates most instances of non-payment of each of these benefits due to there being no surviving spouse, children, or dependent parents. This, too, broadens the circumstances under which these benefits may be paid.

DPSCS reports that only two requests for benefits have been rejected in recent memory, but is unable to determine the basis upon which they were denied. DPSCS also advises that there is no way to tell, historically, the extent to which there was no application for benefits from a local jurisdiction out of a belief that denial was likely due to the more narrow construction of the current statute.

Accordingly, this bill would potentially increase payments of death benefits and funeral benefits by DPSCS. These increases would reflect: (1) the extent to which deaths of entitled public safety or emergency services personnel would occur in circumstances newly covered by this bill; and (2) death benefit payment adjustments by the change for the calendar year preceding the fiscal year in the Consumer Price Index (All Urban Customers - U.S. City Average - All Items). The following table projects adjusted death benefit payment levels over the next five years based on the January 1998 forecast of the Bureau of Labor Statistics. It is not possible to reliably predict the extent to which these payments would actually be made.

Current	FY 1999	FY 2000	FY 2001	FY 2002	FY 2003
\$50,000	\$51,150	\$52,787	\$54,476	\$56,274	\$58,131

Information Source(s): Office of the Governor, Department of Public Safety and Correctional Services, Department of Legislative Services

Fiscal Note History: First Reader - February 2, 1998

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Revised - Enrolled Bill - May 6, 1998

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