

**Department of Legislative Services**

Maryland General Assembly

2002 Session

**FISCAL NOTE**

House Bill 889

(Delegate McHale, *et al.*)

Economic Matters

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**Workers' Compensation - Occupational Disease - Firefighters**

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This bill changes the presumption criteria regarding a compensable occupational disease under the State's workers' compensation law applicable to a paid or volunteer firefighter, sworn fire marshal, paid or volunteer fire fighting instructor, volunteer rescue squad member, or volunteer advanced life support unit member.

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**Fiscal Summary**

**State Effect:** Potential increase in State workers' compensation expenditures (all funds).

**Local Effect:** Potential significant increase in expenditures for local governments covering paid and volunteer firefighters for purposes of workers' compensation.

**Small Business Effect:** None.

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**Analysis**

**Bill Summary:** Under the bill a paid or volunteer firefighter, sworn fire marshal, paid or volunteer fire fighting instructor, volunteer squad member, or volunteer advanced life support unit member is presumed to have a compensable injury if the individual: (1) has leukemia or a specified type of cancer caused by contact with a toxic substance in the line of duty; (2) is permanently partially or permanently totally disabled or dies because of a disability caused by the cancer or leukemia; and (3) in certain cases, has met a suitable standard of physical examination. The existing requirements that an individual have completed at least five years of service in the department where the individual is currently employed, is repealed.

**Current Law:** A paid or volunteer firefighter, sworn fire marshal, paid or volunteer fire fighting instructor, volunteer rescue squad member, or volunteer advanced live support unit member has met the presumption criteria needed for a compensable occupational disease if the individual: (1) has leukemia or pancreatic, prostate, rectal, or throat cancer caused by contact with a toxic substance that the individual has contacted in the line of duty; (2) has completed at least five years service in the department where the individual is currently employed or serves; (3) is unable to perform his or her normal duties because of the cancer or leukemia; and (4) in the case of a volunteer, has met a suitable standard of physical examination before becoming a volunteer.

An individual has a compensable occupational disease if: (1) the disease is due to the hazardous nature of the employment or if the disease has manifestations that are consistent with those known to result from exposure to a biological, chemical, or physical agent that is attributable to the type of employment; and (2) on the weight of the evidence, it may be reasonably concluded that the occupational disease was incurred as a result of the employment.

A firefighter or police officer is presumed to have a compensable occupational disease if the individual has heart disease or hypertension.

**State Expenditures:** No data are available on the number of claims that might become compensable under this bill. However, the Workers' Compensation Commission (WCC) advises that due to the removal of the five-year service requirement under the presumption criteria, this bill may result in a significant increase in individuals who would be eligible for a workers' compensation award. Nevertheless, WCC did indicate that because the number of individuals covered by this provision is relatively small compared to all State employees, the administrative costs to accommodate these additional cases would be minimal. General fund expenditures made for the benefit of WCC are reimbursed through a tax assessment on insurers.

There are currently 151 State firefighters who are covered employees for purposes of workers' compensation. The additional number of awards to current State employees would result in additional State workers' compensation expenditures (all funds).

**Local Expenditures:** There are approximately 31,100 local paid and volunteer firefighters and police officers in the State. Most volunteer and all paid employees are covered employees for workers' compensation purposes by local governments. Many claims under this bill would also be compensable under current law. An increase in the number of cases would cause an increase in workers' compensation costs for local governments.

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### **Additional Information**

**Prior Introductions:** None.

**Cross File:** SB 583 (Senator DeGrange) – Finance.

**Information Source(s):** National Council on Compensation Insurance, Uninsured Employers' Fund, Workers' Compensation Commission, Subsequent Injury Fund, Department of Legislative Services

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