

130th MAINE LEGISLATURE

LD 305

LR 897(03)

An Act To Include Certain Employees in the Bureau of Forestry's Forest Protection Unit in the Laws Concerning Cancer Suffered by Firefighters

> Fiscal Note for Bill as Engrossed with: C "A" (S-69) Committee: Labor and Housing

Fiscal Note

Potential current biennium cost increase - Worker's Compensation Management Fund
Potential future biennium cost increase - General Fund

Fiscal Detail and Notes

Adding all employees within the Department of Agriculture, Conservation and Forestry, Bureau of Forestry, whose duties include the extinguishment or investigation of fires to the definition of a firefighter that may qualify for workers' compensation benefits under a rebuttable presumption contained in Title 39-A, §328-B may increase costs to the Workers' Compensation Management Fund within the Department of Administrative and Financial Services beginning in fiscal year 2021-22. The impact to the Fund will depend on actual experience.

The department has identified 66 positions within the Bureau of Forestry with responsibilities that include the extinguishment or investigation of fires. Currently, 57 of those positions are filled and 9 are vacant. Although the exact cost to the State related to lost time and medical costs will depend on actual experience, the average cost in lost time benefits for this group of employees is estimated to be \$38,467 per claim per year for up to 10 years or more, depending on the level of the employees incapacity. Additionally, the cost for one fatality is estimated to be \$369,873 paid to eligible survivors in lost time benefits alone.

This provision may also increase General Fund costs to the Bureau of Forestry within the Department of Agriculture, Conservation and Forestry from increased workers' compensation premiums. The State, as a self-insured entity, charges each state agency a premium rate that is built into the cost associated with each position within an agency. That rate is based on the actual claims experience of each agency and is averaged over a three-year period. The future impact to the premium rate for the Bureau of Forestry will be based on actual experience.