



Legislative Council Staff

Nonpartisan Services for Colorado's Legislature

Fiscal Note

Drafting Number: LLS 24-0421
Prime Sponsors:

Date: October 24, 2023
Bill Status: Bill Request
Fiscal Analyst: Josh Abram | 303-866-3561
josh.abram@coleg.gov

Bill Topic: **FIREFIGHTER BENEFITS**

Summary of Fiscal Impact:

<input type="checkbox"/> State Revenue	<input type="checkbox"/> TABOR Refund
<input checked="" type="checkbox"/> State Expenditure	<input checked="" type="checkbox"/> Local Government
<input type="checkbox"/> State Transfer	<input type="checkbox"/> Statutory Public Entity

The bill expands the program for firefighter heart health benefits to include paid part-time and volunteer firefighters, and requires employers to participate in multiple employer health trusts that provide firefighter cancer benefits. The bill increases state agency workload for FY 2024-25 only.

Appropriation Summary: No appropriation is required.

Fiscal Note Status: The fiscal note reflects the bill draft requested by the Wildfire Matters Review Committee

Summary of Legislation

The bill expands the program for firefighter heart and circulatory malfunction benefits to include paid part-time and volunteer firefighters with five or more continuous years of service. The bill requires that employers of firefighters participate in a multiple employer health trust providing firefighter cancer benefits; however, an employer may choose to not participate in the health trust if funding in the Firefighter Benefits Cash Fund is insufficient to reimburse the employer for the cost of the benefit.

Background

Multiple employer health trust. The Colorado Firefighter Heart and Cancer Benefit Trust offers both a heart and cancer benefit program. The current annual cost of these benefits to employers for each part-time or volunteer firefighter is \$133 for the heart program and \$126 for the cancer program. The heart program provides payments for qualifying job-related cardiac incidents and

coverage for heart screenings not covered by regular health insurance. The cancer program provides benefits upon diagnosis of brain, digestive, genitourinary, hematological, skin, thyroid, and breast cancers.

Firefighter Benefits Cash Fund. Subject to annual appropriations, this cash fund in the Department of Local Affairs (DOLA) reimburses employers for the direct cost of maintaining accident insurance, self-insurance, or participation in an insurance pool or health trust. In FY 2022-23, the General Assembly appropriated about \$840,000 to the cash fund to reimburse local employers of firefighters.

Local Government

The bill requires that employers of part time and volunteer firefighters, including local governments and emergency management agencies, participate in a multiple employer health trust for those covered individuals. The impact to local governments will vary across jurisdictions and depend on the number of employed firefighters, the amount of contributions employers must make, and the number of compensable heart and cancer benefit claims received. In some circumstances, workers' compensation expenses for local governments may decrease. Some of these costs are offset by reimbursements from the Firefighters Benefits Cash Fund in the DOLA.

State Expenditures

The bill will minimally increase workload in the Department of Local Affairs for FY 2024-25 only to provide technical assistance to employers and communication to insurance vendors, and to update applicable documents related to firefighter benefit programs. At the discretion of the General Assembly, additional funds may be transferred or appropriated to the Firefighters Benefits Cash Fund to offset some or all of the costs for local governments in complying with the bill, whether in this bill or through the Long Bill; however, such funding is not mandated by this bill.

Effective Date

The bill takes effect July 1, 2024.

State and Local Government Contacts

Counties
Public Safety

Local Affairs
Regulatory Agencies

Municipalities
Special District Association