

1 HB360  
2 197268-2  
3 By Representatives Pettus, Hanes, Ledbetter, Reynolds, Rich,  
4 Robertson, Drake and Sorrell  
5 RFD: Ways and Means General Fund  
6 First Read: 04-APR-19

1 ENGROSSED

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4 A BILL  
5 TO BE ENTITLED  
6 AN ACT

7  
8 Relating to supplemental insurance coverage for  
9 firefighters with cancer; to require coverage on a career  
10 firefighter who has served 12 consecutive months as a  
11 firefighter and has been diagnosed with cancer under certain  
12 conditions; to make the same coverage available to certain  
13 volunteer firefighters; to exempt payments from the coverage  
14 or premiums for the coverage from state income tax; and in  
15 connection therewith to have as its purpose or effect the  
16 requirement of a new or increased expenditure of local funds  
17 within the meaning of Amendment 621 of the Constitution of  
18 Alabama of 1901, as amended by Amendment 890, now appearing as  
19 Section 111.05 of the Official ReCompilation of the  
20 Constitution of Alabama of 1901, as amended.

21 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

22 Section 1. (a) For the purposes of this act, the  
23 following terms shall have the following meanings:

24 (1) CANCER. Includes bladder, blood, brain, breast,  
25 cervical, esophageal, intestinal, kidney, lymphatic, lung,  
26 prostate, rectum, respiratory tract, skin, testicular, and

1 thyroid cancer, leukemia, multiple myeloma, Hodgkin's  
2 lymphoma, and non-Hodgkin's lymphoma.

3 (2) CAREER FIREFIGHTER. Any person employed with the  
4 state, a county or municipal government, an airport authority,  
5 or a fire district who has obtained certification as a  
6 firefighter through and as defined by the Alabama  
7 Firefighters' Personnel Standards and Education Commission, or  
8 a firefighter employed by the Alabama Forestry Commission who  
9 has been certified by the State Forester as having met the  
10 wild land firefighter training standard of the National  
11 Wildfire Coordinating Group, and is offered typical employment  
12 benefits, including health insurance coverage.

13 (3) CERTIFIED VOLUNTEER FIREFIGHTER. Any person who  
14 is an active member of a volunteer or combination career and  
15 volunteer fire department, as recognized by the Alabama  
16 Forestry Commission, and who has obtained certification as a  
17 volunteer firefighter through and as defined by the Alabama  
18 Firefighters' Personnel Standards and Education Commission,  
19 who may or may not receive remuneration for firefighting  
20 activities, but is not offered typical employment benefits,  
21 including health insurance coverage.

22 (4) NON-CERTIFIED VOLUNTEER FIREFIGHTER. Any person  
23 who is an active member of a volunteer or combination career  
24 and volunteer fire department, as recognized by the Alabama  
25 Forestry Commission, and who has not obtained certification as  
26 a volunteer firefighter through and as defined by the Alabama  
27 Firefighters' Personnel Standards and Education Commission,

1 who may or may not receive remuneration for firefighting  
2 activities, but is not eligible for typical employment  
3 benefits, including health insurance coverage.

4 (5) PAID FIRE DEPARTMENT. Any department or division  
5 of the state, a county or municipal government, an airport  
6 authority, or a fire district with paid employees assigned  
7 firefighting duties.

8 (6) VOLUNTEER FIRE DEPARTMENT. A group of area  
9 residents organized to provide fire protection and recognized  
10 by the Alabama Forestry Commission as a volunteer fire  
11 department.

12 (b) A paid fire department shall provide and  
13 maintain sufficient insurance coverage on each career  
14 firefighter to pay claims for cancer diagnosed after the  
15 career firefighter has served 12 consecutive months. The  
16 insurance benefits required by this act shall include, but not  
17 be limited to, both of the following:

18 (1) One of the following lump sum benefits:

19 a. A lump sum benefit of twenty-five thousand  
20 dollars (\$25,000), subject to limitations specified in the  
21 insurance contract and based on the severity of the cancer,  
22 and payable to the firefighter upon submission to the  
23 insurance carrier or other payor of acceptable proof of  
24 diagnosis by a physician board certified in the medical  
25 specialty appropriate for the type of cancer involved that  
26 there are one or more malignant tumors characterized by the  
27 uncontrollable and abnormal growth and spread of malignant

1 cells with invasion of normal tissue and that any of the  
2 following apply:

3 1. Surgery, radiotherapy, or chemotherapy is  
4 medically necessary.

5 2. There is metastasis.

6 3. The firefighter has terminal cancer, is expected  
7 to die within 24 months or less from the date of diagnosis,  
8 and will not benefit from, or has exhausted, curative therapy.

9 b. A lump sum benefit of six thousand two hundred  
10 fifty dollars (\$6,250), subject to limitations specified in  
11 the insurance contract and based on the severity of the  
12 cancer, and payable to the firefighter upon submission to the  
13 insurance carrier or other payor of acceptable proof of  
14 diagnosis by a physician board certified in the medical  
15 specialty appropriate for the type of cancer involved that any  
16 of the following apply:

17 1. There is carcinoma in situ such that surgery,  
18 radiotherapy, or chemotherapy has been determined to be  
19 medically necessary.

20 2. There are malignant tumors which are treated by  
21 endoscopic procedures alone.

22 3. There are malignant melanomas.

23 4. There is a tumor of the prostate, provided that  
24 it is treated with radical prostatectomy or external beam  
25 therapy.

1           c. The combined total of all benefits received under  
2 this subdivision by a firefighter during his or her lifetime  
3 may not exceed fifty thousand dollars (\$50,000).

4           (2) Payable as a result of a specific injury or  
5 illness, to begin six months after the disability and  
6 submission to the insurance carrier or other payor of  
7 acceptable proof of disability precluding service as a  
8 firefighter, and continuing for up to 36 consecutive monthly  
9 payments, one of the following:

10           a. For a career firefighter, a monthly benefit of  
11 three thousand dollars (\$3,000).

12           b. For a certified volunteer firefighter, a monthly  
13 benefit of three thousand dollars (\$3,000).

14           c. For a non-certified volunteer firefighter, a  
15 monthly benefit of one thousand five hundred dollars (\$1,500).

16           (3) The benefit provided by subdivision (2), as  
17 applicable, shall be subordinate to any other benefit actually  
18 paid to the firefighter for the disability from any other  
19 source, not including insurance purchased solely by the  
20 firefighter, and shall be limited to the difference between  
21 the amount of the other paid benefit and the amount specified  
22 under subdivision (2), as applicable.

23           (c) (1) Any insurer who provides coverage under this  
24 act shall make all coverage in subsection (b) available to any  
25 volunteer firefighter who has served 12 consecutive months.

26           (2) Coverage premiums extended to a certified  
27 volunteer firefighter shall be consistent with premiums

1 extended to a career firefighter. Coverage premiums extended  
2 to a non-certified volunteer firefighter shall appropriately  
3 reflect the reduced coverage in paragraph c. of subdivision  
4 (2) of subsection (b).

5 (3) A certified volunteer firefighter or a  
6 non-certified volunteer firefighter shall have completed a  
7 medical physical and physical statement as required for  
8 certification by the Alabama Firefighters' Personnel Standards  
9 and Education Commission prior to coverage issuance.

10 (4) A volunteer fire department is not required to  
11 provide or maintain sufficient insurance coverage for either a  
12 certified volunteer firefighter or a non-certified volunteer  
13 firefighter. An individual certified volunteer firefighter or  
14 non-certified volunteer firefighter may elect to purchase the  
15 appropriate supplemental benefits coverage at his or her own  
16 expense. Notwithstanding any law to the contrary, nothing in  
17 this subsection prevents a volunteer fire department, a county  
18 or regional association of volunteer fire departments, a  
19 municipality, or any combination of these, from optionally  
20 contributing in part or in whole to the premiums of an  
21 individual certified volunteer firefighter or non-certified  
22 volunteer firefighter.

23 (d) (1) In the event a career firefighter is employed  
24 for firefighting activities by multiple fire departments  
25 simultaneously, the primary employer shall be responsible for  
26 the requirements of subsection (b). The primary employer shall

1 be identified as the employer who provides primary health  
2 insurance benefits to the career firefighter.

3 (2) With the exception of the benefit provided by  
4 paragraph (b)(2)a., any person who was simultaneously a member  
5 of more than one fire department at the time of diagnosis may  
6 not be entitled to participate in multiple coverages or to  
7 receive benefits under this act from or on behalf of more than  
8 one of the fire departments.

9 (3) Any member who received benefits under  
10 subdivision (2) of subsection (b) may be required to have his  
11 or her condition reevaluated, and in the event a reevaluation  
12 reveals that the person has regained the ability to perform  
13 duties as a firefighter, then his or her benefits under  
14 subdivision (2) of subsection (b) shall cease.

15 (4) Benefits under subdivision (2) of subsection (b)  
16 shall also cease upon the death of the person.

17 (5) Any firefighter, after at least one year of  
18 coverage under this act, who departs from employment, ceases  
19 to be an active volunteer, or retires, shall be entitled to  
20 continue his or her coverages under this act through a  
21 continuation of or conversion to individual coverage. The  
22 premium cost for individual coverage shall be equivalent to  
23 the current cost of active firefighters.

24 (e) In addition to any other purpose authorized by  
25 law, a county governing body or a municipal governing body may  
26 use proceeds from county and municipal taxes not earmarked for



1 other purposes for the purposes of providing insurance  
2 pursuant to this act.

3 (f) Any funds received as premiums for the coverages  
4 provided by this act may not be subject to any premium taxes  
5 otherwise required by law.

6 (g) The computation of premium amounts by an insurer  
7 for the coverages under this act shall be subject to generally  
8 accepted adjustments from insurance underwriting.

9 (h) The Alabama Firefighters' Personnel Standards  
10 and Education Commission may adopt rules as are reasonable and  
11 necessary to implement this act.

12 (i) Both of the following are exempt from state  
13 income tax:

14 (1) The payments received by a firefighter pursuant  
15 to this act, to any extent the amounts are included in the  
16 federal adjusted gross income of the taxpayer and are not  
17 otherwise exempt under any other law.

18 (2) An amount equal to 100 percent of any premium  
19 paid by the individual taxpayer during the taxable year for  
20 coverage pursuant to this act, to any extent any deduction has  
21 not been included in the federal adjusted gross income of the  
22 taxpayer and the amount is not otherwise deductible under any  
23 other law.

24 Section 2. A paid fire department is not liable  
25 under Chapter 5, Title 25, Code of Alabama 1975, to a  
26 firefighter who elects to receive benefits under this act.

1           Section 3. The purpose or effect of this bill would  
2 be to require a new or increased expenditure of local funds  
3 within the meaning of Amendment 621 of the Constitution of  
4 Alabama of 1901, as amended by Amendment 890, now appearing as  
5 Section 111.05 of the Official Recompilation of the  
6 Constitution of Alabama of 1901, as amended. If this bill is  
7 not enacted by a 2/3 vote, it will not become effective with  
8 regard to a local entity unless approved by the local entity  
9 or until, and only as long as, the Legislature appropriates  
10 funds or provides for a local source of revenue.

11           Section 4. This act shall become effective on  
12 January 1 of the next year following its passage and approval  
13 by the Governor, or its otherwise becoming law.

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House of Representatives

Read for the first time and re-  
ferred to the House of Representa-  
tives committee on Ways and Means  
General Fund..... 04-APR-19

Read for the second time and placed  
on the calendar 1 amendment ..... 11-APR-19

Read for the third time and passed  
as amended..... 30-APR-19

Yeas 101, Nays 0, Abstains 0

Jeff Woodard  
Clerk