

1 HB360
2 197268-3
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

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2 ENROLLED, An Act,

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

16 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

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

19 (1) CANCER. Includes bladder, blood, brain, breast,
20 cervical, esophageal, intestinal, kidney, lymphatic, lung,
21 prostate, rectum, respiratory tract, skin, testicular, and
22 thyroid cancer, leukemia, multiple myeloma, Hodgkin's
23 lymphoma, and non-Hodgkin's lymphoma.

24 (2) CAREER FIREFIGHTER. Any person employed with the
25 state, a county or municipal government, an airport authority,

1 or a fire district who has obtained certification as a
2 firefighter through and as defined by the Alabama
3 Firefighters' Personnel Standards and Education Commission, or
4 a firefighter employed by the Alabama Forestry Commission who
5 has been certified by the State Forester as having met the
6 wild land firefighter training standard of the National
7 Wildfire Coordinating Group, and is offered typical employment
8 benefits, including health insurance coverage.

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

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

1 activities, but is not eligible for typical employment
2 benefits, including health insurance coverage.

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

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

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

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

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

1 uncontrollable and abnormal growth and spread of malignant
2 cells with invasion of normal tissue and that any of the
3 following apply:

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

6 2. There is metastasis.

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

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

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

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

23 3. There are malignant melanomas.

1 4. There is a tumor of the prostate, provided that
2 it is treated with radical prostatectomy or external beam
3 therapy.

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

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

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

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

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

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

1 (4) A career firefighter may elect to be voluntarily
2 excluded from the insurance coverage provided by this act. A
3 voluntary exclusion may not be coerced by the employer and
4 shall be presented to the employer in writing. A voluntary
5 exclusion may be revoked at any time. If a voluntary exclusion
6 is revoked by a career firefighter, a consecutive 12-month
7 eligibility period shall be completed.

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

11 (2) Coverage premiums extended to a certified
12 volunteer firefighter shall be consistent with premiums
13 extended to a career firefighter. Coverage premiums extended
14 to a non-certified volunteer firefighter shall appropriately
15 reflect the reduced coverage in paragraph c. of subdivision
16 (2) of subsection (b).

17 (3) A certified volunteer firefighter or a
18 non-certified volunteer firefighter shall have completed a
19 medical physical and physical statement as required for
20 certification by the Alabama Firefighters' Personnel Standards
21 and Education Commission prior to coverage issuance.

22 (4) A volunteer fire department is not required to
23 provide or maintain sufficient insurance coverage for either a
24 certified volunteer firefighter or a non-certified volunteer
25 firefighter. An individual certified volunteer firefighter or

1 non-certified volunteer firefighter may elect to purchase the
2 appropriate supplemental benefits coverage at his or her own
3 expense. Notwithstanding any law to the contrary, nothing in
4 this subsection prevents a volunteer fire department, a county
5 or regional association of volunteer fire departments, a
6 municipality, or any combination of these, from optionally
7 contributing in part or in whole to the premiums of an
8 individual certified volunteer firefighter or non-certified
9 volunteer firefighter.

10 (d) (1) In the event a career firefighter is employed
11 for firefighting activities by multiple fire departments
12 simultaneously, the primary employer shall be responsible for
13 the requirements of subsection (b). The primary employer shall
14 be identified as the employer who provides primary health
15 insurance benefits to the career firefighter.

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

22 (3) Any member who received benefits under
23 subdivision (2) of subsection (b) may be required to have his
24 or her condition reevaluated, and in the event a reevaluation
25 reveals that the person has regained the ability to perform

1 duties as a firefighter, then his or her benefits under
2 subdivision (2) of subsection (b) shall cease.

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

5 (5) Any firefighter, after at least one year of
6 coverage under this act, who departs from employment, ceases
7 to be an active volunteer, or retires, shall be entitled to
8 continue his or her coverages under this act through a
9 continuation of or conversion to individual coverage. The
10 premium cost for individual coverage shall be equivalent to
11 the current cost of active firefighters.

12 (e) In addition to any other purpose authorized by
13 law, a county governing body or a municipal governing body may
14 use proceeds from county and municipal taxes not earmarked for
15 other purposes for the purposes of providing insurance to a
16 career firefighter at a paid fire department pursuant to this
17 act.

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

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

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

4 (i) Both of the following are exempt from state
5 income tax:

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

10 (2) An amount equal to 100 percent of any premium
11 paid by the individual taxpayer during the taxable year for
12 coverage pursuant to this act, to any extent any deduction has
13 not been included in the federal adjusted gross income of the
14 taxpayer and the amount is not otherwise deductible under any
15 other law.

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

19 The exemption from liability provided by this
20 section is based on the specific diagnosis for which the
21 firefighter elects to receive benefits.

22 Section 3. The purpose or effect of this bill would
23 be to require a new or increased expenditure of local funds
24 within the meaning of Amendment 621 of the Constitution of
25 Alabama of 1901, as amended by Amendment 890, now appearing as

1 Section 111.05 of the Official ReCompilation of the
2 Constitution of Alabama of 1901, as amended. If this bill is
3 not enacted by a 2/3 vote, it will not become effective with
4 regard to a local entity unless approved by the local entity
5 or until, and only as long as, the Legislature appropriates
6 funds or provides for a local source of revenue.

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

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Speaker of the House of Representatives

President and Presiding Officer of the Senate

House of Representatives

I hereby certify that the within Act originated in
and was passed by the House 30-APR-19, as amended.

Jeff Woodard
Clerk

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|--------|-----------|-------------------------------|
| Senate | 28-MAY-19 | Amended and Passed |
| House | 28-MAY-19 | Concurred in Senate Amendment |