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Senate Bill 244 (as introduced 3-23-23)
Sponsor: Senator Jon Bumstead
Committee: Labor

Date Completed: 4-19-23

CONTENT

The bill would amend Chapter 4 (Occupational Diseases and Disablements) of the Worker's Disability Compensation Act to extend personal injury coverage for respiratory and heart diseases to part-time, paid-on-call, and volunteer members of police departments, fire departments, public fire authorities, or individuals who work as forest fire officers.

Generally, the Act designates the paid compensation for personal injury or death during employment as workers' compensation. "Personal injury" includes a disease or disability that is due to causes and conditions that are characteristic of and peculiar to the business of the employer and that arises out of and in the course of the employment. Chapter 4 of the Act specifies that personal injury includes respiratory and heart diseases or illnesses resulting from those diseases for full-time employees of the fire and police departments described below.

The bill would extend Chapter 4's additional personal injury coverage to the following individuals:

- Part-time, paid-on-call, or volunteer members of a fire department of an airport operated by a county, public airport authority, or State university or college.
- Part-time or paid-on-call members of a police department of a city, township, or village.
- Part-time, paid-on-call, or volunteer members of a fire or public safety department of a city, township, or village or a public fire authority.
- Forest fire officers.

Chapter 4 also specifies that respiratory and heart diseases have presumption of causation in workers' compensation. These specific medical diagnoses are presumed to be a product of the workplace and do not require evidence that they were not a product of personal activities for a claim to be successful.

MCL 418.405

PREVIOUS LEGISLATION

(Please note: The information in this summary provides a cursory overview of previous legislation and its progress. It does not provide a comprehensive account of all previous legislative efforts on the relevant subject matter.)

The bill is a reintroduction of Senate Bill 877 from the 2021-2022 Legislative Session.

Legislative Analyst: Alex Krabill

FISCAL IMPACT

The bill is likely to result in an increase in workers' compensation claims and payments for local government employers throughout the State to cover claims for part-time, on-call, and volunteers. A total or average increase in payments cannot be calculated as the information is not available.

A number of unknown factors contribute to the difficulty of making a precise calculation of additional costs for local governments, including the number of employees (full-time, part-time, on-call, and volunteers) that would be covered for respiratory and heart diseases and related illnesses, the existing number of claims, and the median number of benefits paid for that category of claims. Roughly speaking, there are over 600 law enforcement agencies statewide employing over 17,000 officers. Likewise, there are over 1,000 fire departments that employ roughly 35,000 firefighters. There are likely several thousand more employees who would be added as conservation officers or sheriff's deputies, but the number of volunteers across all categories is not certain.

The Department of Labor and Economic Opportunity does report that benefits for workers compensation claims are capped at \$1,100.00 per week and the average benefit payment is about \$500.00 per week; however, this average amount is not specific to claims arising from respiratory and heart diseases and illnesses resulting from those diseases.

Fiscal Analyst: Michael Siracuse

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This analysis was prepared by nonpartisan Senate staff for use by the Senate in its deliberations and does not constitute an official statement of legislative intent.