

Fiscal Impact Statement

Date: March 22, 2022

Bill Number, Version, Author: (HB3899) Floor Substitute, Kannady

Impact Statement Requester: (Senate or House Staffer)

Legislation Summary:

An Act relating to workers' compensation; amending **85A O.S. 2021, Section 13** and **85 O.S. 2021, Section 380**, which relates to the certain injuries related to mental health; and which relates to volunteer firefighters; and providing an effective date.

Fiscal Impact Report:

- **Section 2. Changes Title 85 O.S. 2021, Section 380** transfers responsibility of the Volunteer Firefighters Group Insurance Pool from CompSource Mutual Insurance Company to OMES. There would be a major fiscal impact for OMES as there are no funds available to respond on behalf of the program.
- The Fire Department Insurance Program administered by OMES is exclusively for Tort Liability, Professional Liability and Property retentions for participating departments only.
- The FDIP is not a mandatory program which insures all volunteer firefighters. Departments can participate at their discretion.
- OMES cannot utilize taxpayer funds from the Consolidated Workers' Compensation Program to pay any claims on behalf of a political subdivision.
- Per the last annual report provided to OMES from 2013 the program administered by CompSource Mutual Insurance Company, there were 9,000+ enrollees with total collections of \$590,632.
- CompSource Mutual Insurance Company indicated the historical loss ratio is 200%.
- There is no way of knowing the actual fiscal viability of the program based off CompSource Mutual Insurance Company's annual report provided for the 7/1/2013 to 7/1/2014 policy term. (See additional attachment).
- The support letter provided from the President and CEO of CompSource Mutual Insurance Company indicates there is underfunding of \$363,905.

Fiscal Impact Report:

- **Section 1. Changes Title 85A Section 13** to extend Workers' Compensation coverage to first responders experiencing PTSD without a physical injury.
- There is no way to quantify a fiscal impact as claims of this nature have not been previously recognized as compensable injuries.
- There is concern there will be a multitude of claims arising from 'injuries' of this nature for all law enforcement/correctional officers.