



## Fiscal Estimate Narratives

DOR 4/16/2010

LRB Number	09-4579/1	Introduction Number	AB-0954	Estimate Type	Original
<b>Description</b> Requiring municipalities to pay health insurance premiums for survivors of a fire fighter who dies, or has died, in the line of duty					

### Assumptions Used in Arriving at Fiscal Estimate

Under current law, if a town, village, or city pays health insurance premiums for its employees, and if an employee dies, there is no requirement that health care benefits be provided for the deceased employee's survivors.

Under the bill, if a town, village, or city pays health insurance premiums for its employees who are fire fighters, and if the fire fighter dies in the line of duty, the town, village, or city would be required to provide and pay for health care benefits for the fireman's surviving spouse and dependent children. Benefits for surviving spouses would continue until the earlier of the spouse remarrying or reaching the age of 65. Benefits for dependents would generally continue until the dependent reached the age of 18. However, benefits for dependents over the age of 18 would continue as long as the dependent is a full-time student in high school, or (until the age of 27) is a part-time or full-time student at an accredited college or university.

The bill applies to all past and future fire fighters who die in the line of duty.

Information in the financial reports filed by towns, villages, and cities with the Department of Revenue (DOR) do not contain information on whether or not the locality pays health insurance premiums for its employees. As a result, it is not possible for DOR to estimate which towns, villages, and cities could be affected by the bill. It is therefore also not possible for DOR to estimate the increase in costs that this bill could engender.

However, information on the potential cost of providing health care benefits is available from the Department of Employee Trust Funds. For single persons, annual premiums can range from \$6,000 to \$18,000. For families, annual premiums can range from \$15,000 to \$45,000. The potential cost of benefits under the bill for an individual town, village, or city will depend on the level of benefits they provide and where in the state they are located.

### Long-Range Fiscal Implications