



HOUSE COMMITTEE ON APPROPRIATIONS

FISCAL NOTE

SENATE BILL NO. 94

PRINTERS NO. 2101

PRIME SPONSOR: Martin

COST / (SAVINGS)

FUND	FY 2020/21	FY 2021/22
State Workers' Insurance Fund	See "Fiscal Impact"	See "Fiscal Impact"
Municipal Funds	See "Fiscal Impact"	See "Fiscal Impact"

SUMMARY: Amends the Workers' Compensation Act to clarify coverage requirements for the members of volunteer emergency service organizations who do not respond to emergency calls. This legislation would take effect immediately.

ANALYSIS: This legislation clarifies the workers' compensation coverage requirements for members of volunteer fire departments/companies, volunteer ambulance corps and volunteer rescue and lifesaving squad members.

The legislation adds three new definitions:

"Members of volunteer fire departments or volunteer fire companies" will include:

- Active volunteer firefighters who respond to emergency calls.
- Individuals appointed as special fire police under 35 Pa.C.S., Chapter 74, Subchapter D (related to special fire police).
- Officers or directors of the volunteer fire department/company.
- Participating members of the volunteer fire department/company who provide necessary operational support but do not respond to emergency calls.
 - Operational support includes maintaining the station/equipment, acting as trustee, organizing fundraisers, providing IT support and assisting with recruitment/other administrative tasks.
 - Operational support activities must be conducted on a regular basis for the benefit of the volunteer fire department/company and must be approved by the authority/organization/municipality purchasing the workers' compensation insurance.

“Members of a volunteer ambulance corps” will include:

- Active volunteer ambulance corpsmen who respond to emergency calls.
- Officers or directors of the volunteer ambulance corps.
- Participating members of the volunteer ambulance corps who provide necessary operational support but do not respond to emergency calls.
 - Operational support includes maintaining the station/equipment, acting as trustee, organizing fundraisers, providing IT support and assisting with recruitment/other administrative tasks.
 - Operational support activities must be conducted on a regular basis for the benefit of the ambulance corps.

A “social member” of a volunteer fire department/company or a volunteer ambulance corps is a member of the organization whose class of membership is social in nature and is primarily intended to facilitate fraternization with other members or access to social amenities/social events, whether or not the member occasionally provides unpaid operational support to the organization.

This legislation clarifies that officers, directors, rescue, and lifesaving squad members and any other members of a volunteer rescue and lifesaving squads will be considered employees for the purposes of the Workers’ Compensation Act.

The legislation also provides that whenever members of volunteer fire departments/companies, ambulance corps or rescue and lifesaving squads are injured in the performance of their duties on state game land, the members will be deemed an employee of the PA Game Commission.

Within 90 days, the PA Compensation Rating Bureau will conduct a review of the amendments to determine whether any modifications to the applicable classification codes are necessary. The PCRB may make modifications, create separate classifications, or revise loss cost values at any time.

FISCAL IMPACT: According to the Department of Labor and Industry, this legislation would increase costs to municipalities that insure their volunteer fire and ambulance workers through the State Workers’ Insurance Fund (SWIF). The department anticipates that the broadening of the definition will increase the number of claims for workers’ compensation benefits, increase the amount of “loss benefits” that will be paid, which will all require higher premiums to municipalities.

According to the department, there are 1,532 volunteer fire and 86 ambulance organizations that insure with SWIF who would be impacted. Currently, volunteer ambulance organizations insuring with SWIF pay \$1,403 annually in premiums, while volunteer fire companies pay a minimum of \$3,974, an amount which increases as the serviced population increases. Based on the annual premium data, each three percent increase in premiums would add \$42 and \$119 to the cost to volunteer ambulance and fire organizations, respectively.

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House Appropriations Committee (R)

DATE: October 19, 2020

Estimates are calculated using the best information available. Actual costs and revenue impact incurred may vary from estimates.