

House Bill 146 (COMMITTEE SUBSTITUTE) (AM)

By: Representatives Gravley of the 67th, Strickland of the 111th, Meadows of the 5th, Coomer of the 14th, Powell of the 171st, and others

A BILL TO BE ENTITLED
AN ACT

1 To amend Code Section 25-3-23 of the Official Code of Georgia Annotated, relating to
2 general requirements for legally organized fire departments, so as to require such fire
3 departments to provide and maintain certain insurance coverage for firefighters; to provide
4 methods for funding; to provide for rules and regulations; to amend Chapter 85 of Title 36
5 of the Official Code of Georgia Annotated, relating to interlocal risk management agencies,
6 so as to change certain provisions relating to definitions; to change certain provisions relating
7 to formation and functions of such agencies; to change certain provisions relating to
8 certificates of authority and applications; to amend Code Section 48-7-27 of the Official
9 Code of Georgia Annotated, relating to computation of Georgia taxable net income, so as to
10 provide an exemption for benefits received from and a deduction for premiums paid for said
11 insurance coverage for firefighters; to provide an effective date; to repeal conflicting laws;
12 and for other purposes.

13 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

14 style="text-align:center">**SECTION 1.**

15 Code Section 25-3-23 of the Official Code of Georgia Annotated, relating to general
16 requirements for legally organized fire departments, is amended by revising subsections (b)
17 and (c) as follows:

18 "(b)(1) A legally organized fire department shall ~~purchase~~ provide and maintain
19 sufficient insurance coverage on each member of the fire department to pay claims for
20 injuries sustained en route to, during, and returning from fire calls or other emergencies
21 and disasters and scheduled training sessions.

22 (2)(A) As used in this paragraph, the term 'cancer' means bladder, blood, brain, breast,
23 cervical, esophageal, intestinal, kidney, lymphatic, lung, prostate, rectum, respiratory
24 tract, skin, testicular, and thyroid cancer; leukemia; multiple myeloma; or
25 non-Hodgkin's lymphoma.

26 (B) On and after January 1, 2018, a legally organized fire department shall provide and
 27 maintain sufficient insurance coverage on each member of the fire department who is
 28 a firefighter to pay claims for cancer diagnosed after having served 12 consecutive
 29 months as a firefighter with such fire department. Such insurance benefits shall include
 30 at minimum the following:

31 (i)(I) A lump sum benefit of \$25,000.00 based on severity of cancer and payable to
 32 such firefighter upon submission to the insurance carrier or other payor of acceptable
 33 proof of diagnosis by a physician board certified in the medical specialty appropriate
 34 for the type of cancer involved that there are one or more malignant tumors
 35 characterized by the uncontrollable and abnormal growth and spread of malignant
 36 cells with invasion of normal tissue that:

37 (a) Surgery, radiotherapy, or chemotherapy is medically necessary;

38 (b) There is metastasis; or

39 (c) The firefighter has terminal cancer, is expected to die within 24 months or less
 40 from the date of diagnosis, and will not benefit from, or has exhausted, curative
 41 therapy; or

42 (II) A lump sum benefit of \$6,250.00 based on severity of cancer and payable to
 43 such firefighter upon submission to the insurance carrier or other payor of
 44 acceptable proof of diagnosis by a physician board certified in the medical specialty
 45 appropriate for the type of cancer involved that:

46 (a) There is carcinoma in situ such that surgery, radiotherapy, or chemotherapy
 47 has been determined to be medically necessary;

48 (b) There are malignant tumors which are treated by endoscopic procedures
 49 alone;

50 (c) There are malignant melanomas; or

51 (d) There is a tumor of the prostate, provided that it is treated with radical
 52 prostatectomy; and

53 (ii) Payable as a result of a specific injury or illness to begin six months after
 54 disability and submission to the insurance carrier or other payor of acceptable proof
 55 of disability precluding service as a firefighter and continuing for up to 36
 56 consecutive monthly payments:

57 (I) A monthly benefit equal to 60 percent of the member's monthly salary as an
 58 employed firefighter with the fire department or a monthly benefit of \$5,000.00,
 59 whichever is less; or

60 (II) If the member is a volunteer, a monthly benefit of \$1,500.00.

61 The benefit under subdivision (I) or (II) of this division, as applicable, shall be
 62 subordinate to any other benefit actually paid to the firefighter for such disability from

63 any other source, not including insurance purchased by the firefighter, and shall be
 64 limited to the difference between the amount of such other paid benefit and the
 65 amount specified under subdivision (I) or (II) of this division, as applicable.

66 (C) Any person who was simultaneously a member of more than one fire department
 67 at the time of diagnosis shall not be entitled to receive benefits under this paragraph
 68 from or on behalf of more than one of such fire departments. Any member who
 69 receives benefits under division (ii) of subparagraph (B) of this paragraph may be
 70 required to have his or her condition reevaluated; in the event any such reevaluation
 71 reveals that such person has regained the ability to perform duties as a firefighter, then
 72 his or her benefits under division (ii) of subparagraph (B) of this paragraph shall cease.
 73 Benefits under said division shall also cease upon the death of such person. A member
 74 who departs from employment or retires after at least one year as a firefighter shall be
 75 entitled to continue his or her coverages under this paragraph through a continuation
 76 or conversion to individual coverage. The departing member shall be responsible for
 77 payment of all premiums.

78 (D) In addition to any other purpose authorized under Chapter 8 of Title 33, county
 79 governing authorities and municipal governing authorities may use proceeds from
 80 county and municipal taxes imposed under said chapter for purposes of providing
 81 insurance pursuant to this paragraph.

82 (E) Funds received as premiums for the coverages specified in this paragraph shall not
 83 be subject to premium taxes under Chapter 8 of Title 33.

84 (F) The computation of premium amounts by an insurer for the coverages under this
 85 paragraph shall be subject to generally accepted adjustments from insurance
 86 underwriting.

87 ~~On and after July 1, 1998, the~~ The Georgia Firefighter Standards and Training Council
 88 shall be authorized, by rules and regulations, to adopt such rules and regulations as are
 89 reasonable and necessary to implement the provisions of this Code section and to establish
 90 and modify minimum requirements for all fire departments operating in this state, provided
 91 that such requirements are equal to or exceed the requirements provided in subsections (a)
 92 and (b) of this Code section."

93 **SECTION 2.**

94 Chapter 85 of Title 36 of the Official Code of Georgia Annotated, relating to interlocal risk
 95 management agencies, is amended in Code Section 36-85-1, relating to definitions, by
 96 revising paragraphs (6) and (8) as follows:

97 "(6) 'Group self-insurance fund' or 'fund' means a pool of public moneys established by
 98 an interlocal risk management agency from contributions of its members in order to pool

99 the risks of accident, disability, supplemental medical, general liability, motor vehicle
100 liability, property damage, or any combination of such risks."

101 "(8) 'Interlocal risk management program' means a plan and activities carried out under
102 such plan by an interlocal risk management agency to reduce risk of loss on account of
103 accident, disability, supplemental medical, general liability, motor vehicle liability, or
104 property damage, including safety engineering and other loss prevention and control
105 techniques, and to administer one or more group self-insurance funds, including the
106 processing and defense of claims brought against members of the agency."

107 **SECTION 3.**

108 Said chapter is further amended in Code Section 36-85-2, relating to the formation and
109 functions of interlocal risk management agencies, by revising paragraph (4) of subsection (a)
110 as follows:

111 "(4) Jointly purchase accident, disability, supplemental medical, general liability, motor
112 vehicle liability, or property damage insurance with other municipalities or counties
113 participating in and belonging to the interlocal risk management agency, the participating
114 municipalities or counties to be coinsured under a master policy or policies with the total
115 premium apportioned among such participants."

116 **SECTION 4.**

117 Said title is further amended in Code Section 36-85-5, relating to certificates of authority and
118 applications, by revising subsection (d) as follows:

119 "(d) A fund authorized by this chapter may be established by an agency only if the agency
120 has enrolled members which:

121 (1) For each motor vehicle liability and general liability fund shall generate an annual
122 gross premium of not less than \$300,000.00;

123 (2) For each property damage fund shall generate an annual gross premium of not less
124 than \$200,000.00;

125 (3) For each fund which includes motor vehicle liability or general liability with property
126 damage shall generate an annual gross premium of not less than \$500,000.00; ~~or~~

127 (4) For each fund which includes motor vehicle liability, general liability, and property
128 damage shall generate an annual gross premium of not less than \$800,000.00; ~~or~~

129 (5) For each fund which includes accident, disability, or supplemental medical coverage
130 shall generate an annual gross premium of not less than \$500,000.00."

131 **SECTION 5.**

132 Code Section 48-7-27 of the Official Code of Georgia Annotated, relating to computation of
133 Georgia taxable net income, is amended in subsection (a) by adding new paragraph to read
134 as follows:

135 "(12.2) Payments received by a firefighter pursuant to paragraph (2) of subsection (b) of
136 Code Section 25-3-23, to any extent such amounts are included in the taxpayer's federal
137 adjusted gross income and are not otherwise exempt under any other provision of this
138 Code section;

139 (12.3) An amount equal to 100 percent of any premium paid by the individual taxpayer
140 during the taxable year for coverage pursuant to paragraph (2) of subsection (b) of Code
141 Section 25-3-23, to any extent such deduction has not been included in the taxpayer's
142 federal adjusted gross income and such amount is not otherwise deductible under any
143 other provision of this Code section;"

144 **SECTION 6.**

145 This Act shall become effective on January 1, 2018.

146 **SECTION 7.**

147 All laws and parts of laws in conflict with this Act are repealed.