

**LEGISLATIVE BUDGET BOARD**

**Austin, Texas**

**FISCAL NOTE, 87TH LEGISLATIVE REGULAR SESSION**

**March 29, 2021**

**TO:** Honorable Chris Turner, Chair, House Committee on Business & Industry

**FROM:** Jerry McGinty, Director, Legislative Budget Board

**IN RE: HB541** by Patterson (Relating to a presumption in regard to the eligibility of public safety employees who have contracted coronavirus disease (COVID-19) for certain benefits.), **As Introduced**

Passage of the bill would require the approval of workers' compensation claims related to coronavirus for public safety employees. It is unknown how many public safety employees with previously denied claims would refile their claims or how many new claims would be filed in the future. Therefore, the fiscal impact of the bill cannot be determined.

The bill would amend Chapter 607 of the Government Code to provide that a public safety employee who contracts coronavirus resulting in disability or death is presumed to have contracted the virus during the course and scope of their work as a public safety employee. Implementing provisions of the bill would require that related workers' compensations claims be accepted.

The bill would remove the requirement that a public safety employee infected with coronavirus prove that the infection happened at or because of their job under the Workers' Compensation system. Implementing the provisions of the bill would allow a public safety employee infected with coronavirus to re-file a related workers' compensation claim that was previously denied. It is unknown how many public safety employees with previously denied claims would refile their claims or how many new claims would be filed in the future. Therefore, the fiscal implication of the bill cannot be determined.

**Local Government Impact**

It is unknown how many public safety employees with previously denied claims would refile their claims or how many new claims would be filed in the future. Therefore, the fiscal implication of the bill on units of local government cannot be determined.

The Texas Association of Counties Risk Management Pool (TAC RMP) currently provides workers' compensation coverage to 261 qualified public entity members, which include approximately 80%, or 203 of the 254 Texas counties. As of February 21, 2021, TAC RMP has received 1151 COVID-19 related claims. A total of 72%, or 830 of these claims were filed by member counties on behalf of their first responders, jailers and detention officers. Projected incurred reserves may be adversely impacted by an extended duration of the pandemic, efficacy of vaccines to emerging virus variants, cost of acute lifesaving treatment, and the tails of current COVID-19 claims which are evolving into chronic treatment. According to TAC RMP, the estimate for fiscal year 2021 is \$20.5 million for their members' first responders, jailers and detention officers.

The City of Houston cannot determine the fiscal impact to the city. The City of Plano anticipates a fiscal impact to the city, ranging from \$500,000 to \$2.24 million annually.

Bexar County anticipates a significant fiscal impact.

**Source Agencies:** 302 Office of the Attorney General, 405 Department of Public Safety, 454 Department of Insurance, 458 Alcoholic Beverage Commission, 479 State Office of Risk Management, 644 Juvenile Justice

Department, 696 Department of Criminal Justice, 802 Parks and Wildlife Department

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