

Department of Legislative Services
 Maryland General Assembly
 2019 Session

FISCAL AND POLICY NOTE
 First Reader

House Bill 1293 (Delegate Krimm, *et al.*)
 Health and Government Operations

Health - Professional and Volunteer Firefighter Innovative Cancer Screening
 Technologies Program

This bill establishes the Professional and Volunteer Firefighter Innovative Cancer Screening Technologies Program in the Maryland Department of Health (MDH). The Governor must include at least \$500,000 in the annual budget for the program beginning in fiscal 2021. MDH must administer the program and may adopt regulations to implement the bill. **The bill takes effect July 1, 2019.**

Fiscal Summary

State Effect: General fund expenditures increase by \$500,000 in FY 2020 for grant funding and staff; future years reflect ongoing administrative costs and the bill’s mandated appropriation. Although discretionary, this analysis assumes funding is provided in FY 2020 as well. Revenues are not affected as State agencies that employ firefighters are not eligible to apply for grants. **This bill establishes a mandated appropriation beginning in FY 2021.**

| (in dollars) | FY 2020 | FY 2021 | FY 2022 | FY 2023 | FY 2024 |
|----------------|-------------|-------------|-------------|-------------|-------------|
| Revenues | \$0 | \$0 | \$0 | \$0 | \$0 |
| GF Expenditure | 500,000 | 500,000 | 500,000 | 500,000 | 500,000 |
| Net Effect | (\$500,000) | (\$500,000) | (\$500,000) | (\$500,000) | (\$500,000) |

Note: () = decrease; GF = general funds; FF = federal funds; SF = special funds; - = indeterminate increase; (-) = indeterminate decrease

Local Effect: Local government revenues increase to the extent that local governments apply for and obtain grant funding; expenditures increase correspondingly as grant funding is used for cancer screening tests, as authorized by the bill.

Small Business Effect: None.

Analysis

Bill Summary: The purpose of the program is to provide grants to local fire departments and volunteer fire companies and departments to procure innovative cancer screening tests that are not otherwise conducted during routine physical examinations or not covered by insurance. The goal of the program is to reduce cancer mortality among firefighters while advancing the adoption of novel technologies that may also benefit the health of Marylanders and the economy of the State.

Each year, MDH must issue a request for applications from local fire departments and volunteer fire companies or departments (the only entities eligible to apply for grants). The county where the department or company is located must assist the department or company with filing applications. The bill establishes several criteria that must be included in an application, including the number of firefighters proposed to be screened and a description of each test proposed.

MDH must develop a weighting formula to rate each application and must prioritize applicants based on the quality of the application and the degree to which the proposed tests meet specified criteria. If MDH receives applications for grants totaling more than the amount of funds available for the program, MDH must award the grants on a pro rata basis. The program's appropriations and expenditures (including funds received as grants) are subject to audit by the Office of Legislative Audits (OLA).

By December 1, 2020, and each December 1 thereafter, MDH must submit a report to specified committees of the General Assembly concerning the activities of the program.

Current Law/Background: Professional firefighters are generally employed by local governments (and in some cases, the State) and, therefore, receive the same health and disability benefits as other government employees. Although not directly operated by local governments, volunteer firefighter companies and departments are generally funded and supported by local governments, grants, and donations. In addition, volunteer firefighters are provided certain disability and funeral benefits by the Maryland State Firemen's Association (MSFA). Even though MSFA is a private, not-for-profit entity, it is responsible for administering numerous benefits programs for volunteer firefighters, rescue squad personnel, and ambulance personnel. MSFA receives annual grants from the State for both the administration of the program (\$200,000 in both fiscal 2017 and 2018) and payment of benefits (\$350,000 in both fiscal 2017 and 2018).

In July 2016, the National Institute for Occupational Safety and Health (NIOSH) released a fact sheet summarizing findings from a multi-year study on the incidence of cancer in firefighters. The study generally found that firefighters had a greater rate of cancer diagnoses and cancer-related deaths compared to the general population. The most

common types of cancer were digestive, oral, respiratory, and urinary. NIOSH recommends steps that fire service and firefighters could take to mitigate the impact. For fire service, NIOSH recommends raising awareness and preventing exposure through education about safe work practices, including training, use of protective clothing, and use of approved respiratory protection during all phases of firefighting. For firefighters, NIOSH recommends sharing the study with their respective physician to ensure that the physician is aware of possible job-related health concerns.

State Expenditures: MDH general fund expenditures increase by \$500,000 in fiscal 2020, which accounts for the bill’s July 1, 2019 effective date. Further, although discretionary in fiscal 2020, this analysis assumes the same level of funding as mandated in future years is also provided in fiscal 2020 – in part because the first report due in December 2020 also assumes implementation in fiscal 2020. This estimate reflects the cost of hiring one program administrator to (1) develop the application and weighting formula; (2) manage the application and review process; (3) oversee grant awards; and (4) complete and submit the annual report. It includes a salary, fringe benefits, one-time start-up costs, and ongoing operating costs. The residual funding available is assumed to be distributed as grants.

| | |
|---|------------------|
| Position | 1.0 |
| Salary and Fringe Benefits | \$69,945 |
| Grant Funding | 424,540 |
| Operating Expenses | <u>5,515</u> |
| Total FY 2020 State Expenditures | \$500,000 |

Future year expenditures reflect a full salary with annual increases and employee turnover and ongoing operating expenses. Any residual funding is distributed as grants; all such funding is assumed to be encompassed within the mandated appropriation as the bill specifies that the mandated funding is for the *program* (and is silent on whether it may be used for administrative costs or must be used exclusively for grants).

OLA can handle additional audits under the bill with existing resources.

Local Fiscal Effect: As previously noted, local governments directly employ professional firefighters and provide support and funding to volunteer fire companies and departments. As such, a local government is the entity responsible for managing the grant process for professional firefighters and may choose to manage the process for volunteer firefighters as well. Therefore, local government revenues and expenditures increase to the extent that local governments apply for and receive grant funding and use that funding to provide cancer screenings for professional and/or volunteer firefighters.

Local governments can likely assist volunteer fire companies and departments with the grant application process, as necessary, using existing resources.

Additional Information

Prior Introductions: None.

Cross File: SB 727 (Senator Guzzone, *et al.*) - Finance.

Information Source(s): Maryland Department of Health; Charles, Frederick, and Montgomery counties; Maryland Association of Counties; Department of Budget and Management; Maryland Insurance Administration; National Institute for Occupational Safety and Health; Department of Legislative Services

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