

# SOUTH CAROLINA REVENUE AND FISCAL AFFAIRS OFFICE STATEMENT OF ESTIMATED FISCAL IMPACT

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H. 5136 Introduced on March 15, 2022 **Bill Number:** 

J.L. Johnson Author:

Subject: Statewide Telecommunications System

Requestor: House Medical, Military, Public, and Municipal Affairs

RFA Analyst(s): Coomer

Impact Date: March 28, 2022

## **Fiscal Impact Summary**

This bill specifies the definition of first responders and provides that 911 professionals are entitled to all benefits that accrue to first responders employed by the State and its local governing bodies.

The expenditure impact of this bill is undetermined. The Public Employee Benefit Authority (PEBA) indicated this bill may have a significant expenditure impact, depending upon the interpretation and implementation of providing 911 professionals with the same benefits as other first responders. Additional information is needed to identify 911 professionals and which benefits they will be entitled to receive. PEBA specifically referenced whether 911 professionals included only those employed by governmental entities, and whether these employees would be eligible for only the programs their employer offers or for all State benefit programs. The bill could have a significant impact if the intent is to expand eligibility for State benefits.

This bill will have no expenditure impact on the Department of Public Safety (DPS) because the agency indicates its dispatch unit employees do not qualify as 911 professionals.

The local expenditure impact is undetermined but may have a significant impact, depending upon the implementation of providing 911 professionals with the same benefits as other first responders. Three counties responded. Based on these responses, RFA anticipates that the bill could have a significant impact if eligibility for the State's retirement programs changes and 911 professionals become eligible for the Police Officers Retirement System (PORS) instead of the South Carolina Retirement System (SCRS).

## **Explanation of Fiscal Impact**

## **Introduced on March 15, 2022 State Expenditure**

This bill specifies that first responders include emergency medical services providers, law enforcement officers, fire department workers directly engaged in examining, treating, or directing persons during an emergency, and 911 professionals, which includes call takers and dispatchers. The bill further provides that 911 professionals are entitled to all benefits that accrue to first responders employed by the State and its local governing bodies.

PEBA reports the impact of this bill is undetermined as additional information is needed on the implementation of identifying 911 professionals and which benefits they will be entitled to receive. PEBA specifically referenced whether 911 professionals included only those employed by governmental entities, and whether these employees would be eligible for only the programs their employer offers or for all State benefit programs. Furthermore, not all first responders are in the same retirement system. For example, Emergency Medical Service (EMS) personnel are in SCRS, the sheriff's department personnel are in PORS, and the county's fire service personnel can be in SCRS or PORS.

While the impact of this bill on retirement benefits is unknown, PEBA indicates that they do not expect an impact on health insurance benefits. All 911 professionals of government employers that participate in the health plan should currently be eligible for the same health insurance benefits as all other employees, including first responders. However, if the bill extends eligibility beyond State employees to all 911 professionals, the bill could have significant impact. Given these uncertainties, the expenditure impact of this bill for PEBA is undetermined.

This bill will have no expenditure impact on DPS because the agency's dispatch unit is not a traditional public safety dispatch point, but rather a secondary dispatch unit, and therefore, do not qualify as 911 professionals.

#### **State Revenue**

N/A

### **Local Expenditure**

This bill specifies the definition of first responders and provides that 911 professionals are entitled to all benefits that accrue to first responders employed by the State and its local governing bodies.

The expenditure impact of this bill on local government entities is undetermined. The Revenue and Fiscal Affairs Office surveyed all county governments and the Municipal Association of South Carolina and received responses from three counties. Two entities currently participate in the health and retirement plans and mentioned there could be increased expenditures if their 911 professionals were to become eligible for PORS instead of SCRS under this bill. One of these entities indicated there could be increased expenditures related to long-term staff being able to retire earlier under PORS than currently under SCRS. One entity did not participate in the health or retirement plans. If 911 professionals become eligible for PORS due to this bill, there could be a significant expenditure impact to local government agencies.

#### **Local Revenue**

N/A

Frank A. Rainwater, Executive Director