



SOUTH CAROLINA REVENUE AND FISCAL AFFAIRS OFFICE
STATEMENT OF ESTIMATED FISCAL IMPACT
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This fiscal impact statement is produced in compliance with the South Carolina Code of Laws and House and Senate rules. The focus of the analysis is on governmental expenditure and revenue impacts and may not provide a comprehensive summary of the legislation.

Bill Number:	S. 0402	Introduced on January 12, 2021
Author:	Gustafson	
Subject:	Workers' Comp	
Requestor:	Senate Judiciary	
RFA Analyst(s):	Miller	
Impact Date:	February 23, 2021	

Fiscal Impact Summary

This bill will have no expenditure impact because it does not materially alter the responsibilities of the Workers' Compensation Commission. The expenditure impact for agencies with first responder employees for the potential increase in workers compensation insurance premiums is pending, contingent upon additional response from the State Accident Fund.

Additionally, this bill may result in an increase in local expenditures due to the potential increase in workers compensation costs for first responders. Both the South Carolina Association of Counties and the Municipal Association of South Carolina offer workers compensation to local governing entities. The local expenditure impact of this bill is pending, contingent upon additional response from the South Carolina Association of Counties and the Municipal Association of South Carolina.

Explanation of Fiscal Impact

Introduced on January 12, 2021

State Expenditure

This bill exempts first responders from having to establish by a preponderance of the evidence that stress, mental injury, or mental illness arising out of or in the course of employment stems from conditions that are extraordinary or unusual relative to the normal conditions of employment for purposes of collecting workers' compensation. Currently, if a first responder's stress, mental injury, or mental illness arise from normal working conditions, the first responder is not considered injured for purposes of collecting workers' compensations. This bill would allow a first responder to qualify for injury-related workers' compensation if the stress, mental injury, or mental illness arise from normal working conditions. This bill takes effect upon approval of the Governor.

Workers Compensation Commission. This bill does not materially alter the responsibilities of the agency. Therefore, this bill will have no expenditure impact on the Workers' Compensation Commission.

State Accident Fund. This bill may result in an increase in the cost of workers compensation insurance coverage dependent upon the number of new workers compensation claims likely to be

filed by first responders whose stress or mental illness stem from the normal conditions of their jobs. Those agencies that employee first responders may see in an increase in insurance premiums due to this increase of coverage. The State Accident Fund offers workers compensation insurance for state agencies. The potential expenditure impact of this bill is undetermined, contingent upon additional response from the State Accident Fund.

State Revenue

N/A

Local Expenditure

This bill may result in an increase in the cost of workers compensation insurance coverage dependent upon the number of new workers compensation claims likely to be filed by first responders whose stress or mental illness stem from the normal conditions of their jobs. Those local entities that employee first responders may see in an increase in insurance premiums due to this increase of coverage. The South Carolina Association of Counties provides locals with workers compensation insurance coverage through the South Carolina Counties Workers Compensation Trust (SCCWCT). Additionally, the Municipal Association of South Carolina offers locals workers compensation coverage. The local expenditure impact of this bill is pending contingent upon additional response from SCAC and MASC.

Local Revenue

N/A



Frank A. Rainwater, Executive Director