

# SENATE STAFF ANALYSIS AND ECONOMIC IMPACT STATEMENT

(This document is based only on the provisions contained in the legislation as of the latest date listed below.)

BILL: SB 668

SPONSOR: Senator Webster and others

SUBJECT: Emergency Medical Technicians and Paramedics

DATE: February 22, 1999 REVISED: \_\_\_\_\_

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	<u>Lombardi</u>	<u>Wilson</u>	<u>GO</u>	<u>Favorable</u>
2.	<u>Cooper</u>	<u>Yeatman</u>	<u>CA</u>	<u>Favorable</u>
3.	_____	_____	<u>FP</u>	_____
4.	_____	_____	_____	_____
5.	_____	_____	_____	_____

## I. Summary:

This bill will expand the Special Risk Class of the Florida Retirement System (FRS), providing higher future benefits to eligible emergency medical technicians (EMTs) and paramedics. Currently, Special Risk Class membership is limited to firefighters, law enforcement officers, and correctional officers.

This bill amends sections 121.021 and 121.0515, Florida Statutes, 1998 Supplement.

## II. Present Situation:

The Florida Retirement System (FRS) is a statewide, defined benefit pension plan. It includes five membership classes: Regular Class, Special Risk Class, Special Risk Administrative Support Class, Elected State and County Officer's Class, and Senior Management Service Class.

Section 121.0515(1), F.S., 1998 Supplement, was created to recognize those law enforcement, firefighting, and criminal detention positions performing work requiring physically demanding or arduous activities, or extraordinary agility and mental acuity. In addition, the law recognizes that these positions, because of aging, result in diminishing physical and mental faculties and are not able to continue to serve without risk to co-workers, the public and themselves. Consequently, the Legislature has established a class of retirement membership that awards more retirement credit per year of service for those employees required to leave their jobs at an earlier age and suffer economic deprivation resulting from early retirement.

Section 121.0515(2), F.S., 1998 Supplement, establishes Special Risk qualification and job responsibility criteria for eligibility. An employee must be a law enforcement officer, firefighter, or correctional officer and be certified or required to be certified to qualify for membership. Any of these employees must assume responsibility for pursuit, apprehension, and arrest of law violators or suspected law violators, or on-the-scene firefighting, custody and restraint of prisoners and inmates or direct supervision thereof, or supervision as a Superintendent or Assistant

Superintendent. The Division of Retirement is responsible for reviewing job descriptions for Special Risk eligibility at the local level of government while its counterpart, The Department of Management Services, conducts reviews at the state level.

Most paramedics and EMTs belong to the FRS Regular Class. However, there are FRS paramedics and EMTs who are cross-certified as firefighters, law enforcement officers, or correctional officers and meet the eligibility requirements of Special Risk Class membership. EMTs and paramedics remanded to the Regular Class become eligible for retirement benefits at the earlier attainment of 62 years of age or completion of 30 years of service. Regular Class members accrue retirement credit at a rate of 1.6 percent per year of service and, in order to fund these benefits, employers contribute 15.51<sup>1</sup> percent of each employee's gross pay. Those EMTs and paramedics placed in the Special Risk Class become eligible for retirement benefits at the earlier attainment of 55 years of age or they may opt for normal retirement upon completion of 25 years of service. These employees accrue retirement credit at a rate of 3 percent per year of service and in order to fund these benefits. Employers contribute 24.38<sup>2</sup> percent of each employee's gross pay.

### III. Effect of Proposed Changes:

**Section 1** amends s. 121.021, F.S., 1998 Supplement, which provides definitions related to the FRS, to expand the definition of "Special Risk Member" to include paramedics and EMTs. Paramedics and EMTs will receive enhanced benefits as a result of the proposed changes.

**Section 2** amends s. 121.0515, F.S., 1998 Supplement, to reflect the inclusion of EMTs in the Special Risk Class, and creates s. 121.0515(2)(d), F.S., 1998 Supplement, to establish eligibility criteria for paramedics and EMTs to be included in the Special Risk Class. These individuals must be employed by a licensed Advance Life Support (ALS) or Basic Life Support (BLS) employer as an emergency medical technician or a paramedic and be certified in compliance with s. 401.27, F.S.<sup>3</sup> In addition, the member's primary duties and responsibilities must include on-the-scene emergency medical care. However, administrative support personnel, including, but not limited to, those whose primary responsibilities are in accounting, purchasing, legal, and personnel, shall not be included.

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<sup>1</sup> Section 121.071(1)(a), F.S., 1998 Supplement

<sup>2</sup> Section 121.071(1)(b), F.S., 1998 Supplement

<sup>3</sup> The Department of Health is responsible to establish by rule, educational and training criteria and examinations for the certification and recertification of EMTs and paramedics. Any person desiring to be certified or recertified as an EMT or paramedic must apply to the department on forms provided by the department. The department shall then determine whether the applicant meets the requirements for certification eligibility. EMTs and paramedics are required to complete training courses in their respective disciplines conducted by the United States Department of Transportation and certify under oath that he or she is not addicted to alcohol or any controlled substance; he or she are free from any physical or mental defect or disease that might impair their ability to perform his or her duties; and passed additional examination requirements in their respective disciplines within 1 year of completing the United States Department of Transportation course.

**IV. Constitutional Issues:****A. Municipality/County Mandates Restrictions:**

This bill requires counties and municipalities to expend additional funds because it directs them to make higher FRS contribution, therefore, the bill falls within the purview of subsection (a) of Article VII, Section 18, of the State Constitution, which provides that cities and counties are not bound by general laws requiring them to spend funds or to take an action which requires the expenditure of funds unless certain specified exemptions or exceptions are met. None of the exemptions are applicable.

As for applicable specified constitutional exceptions, the bill requires similar expenditures by all similarly situated persons (i.e., counties, municipalities, and the state); therefore, the only additional requirement necessary to remove the bill from the purview of this constitutional provision is a finding by the Legislature that the bill fulfills an important state interest. (See Section 3 of the bill.) Thus, the bill is exempted from the requirements of Article VII, Section 18 of the State Constitution.

**B. Public Records/Open Meetings Issues:**

None.

**C. Trust Funds Restrictions:**

None.

**V. Economic Impact and Fiscal Note:****A. Tax/Fee Issues:**

None.

**B. Private Sector Impact:**

None.

**C. Government Sector Impact:**

Contribution rates for employing agencies, based upon the July 1, 1998 actuarial valuation, will be incrementally increased 10.93 percent of employee gross payroll for those affected members. The incremental cost is the difference between the proposed contribution rate for regular class members (9.21 percent) and the proposed contribution rate for special risk class members (20.14 percent). It is estimated by the Department of Health (DOH) Emergency Medical Services Certification Section that approximately 20 EMTs and paramedics are employed throughout state correctional institutions and hospitals. Consequently, the financial effect to the state is minimal. The majority of costs will be realized at the local level.

In March, 1995, the Advisory Council on Intergovernmental Relations (ACIR) conducted a survey requesting information about the number and salaries of paramedics and EMTs employed by local government agencies throughout the state. The survey revealed that approximately 1,451 paramedics and EMTs belonged to the FRS Regular Class at that time. In extrapolating these numbers, the incremental cost of reclassification to Special Risk for these members equates to approximately \$3.878 million annually. According to the DOH Emergency Medical Services Certification Section, these numbers are conservative because it believes that there are more certified paramedics and EMTs than were reported in the survey.

There would be an additional cost to the Division of Retirement to verify eligibility and certification of each member requesting Special Risk membership as an EMT or paramedic. The exact amount of additional cost is indeterminable at this time because the exact numbers of affected EMTs and paramedics are unknown. There are many EMTs and paramedics that are participants in police and firefighter pension funds independent of the Florida Retirement System. The employers of these individuals will be unaffected by this bill.

#### **VI. Technical Deficiencies:**

None.

#### **VII. Related Issues:**

##### **Enforceability**

Although the Division of Retirement and the Department of Management Services review job descriptions for Special Risk eligibility, they are reliant upon field audits and law enforcement, firefighting, and now emergency medical care supervisors and personnel managers, to report personnel information with accuracy. Without a timely and reliable inner agency reporting mechanism, enforceability may be inhibited. If managers are unwilling to initiate the proper and appropriate classification internally, then it is likely that either the Department or the Division can ascertain the information.

##### **Policy**

While it is true that EMTs and paramedics are exposed to hazardous duty, it is not recognized under current law in the Special Risk Class. Many employees have hazardous jobs and are not included in the Special Risk Class because their job duties are not covered by the legislative criteria of s. 121.0515, F.S., 1998 Supplement.

This bill raises additional policy issues on collective bargaining which subsequent legislatures will have to address. This bill takes an existing state-level collective bargaining entity, the Professional Health Care Unit represented by the Florida Nurses' Association, and reclassifies the retirement status of some twenty employees from regular to special risk *to the exclusion of all other employees in the unit*. The consequence of this change will be visited upon the conduct of subsequent labor agreements for other employees undertaking similar activities yet not benefitting from the same job title.

**VIII. Amendments:**

None.

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This Senate staff analysis does not reflect the intent or official position of the bill's sponsor or the Florida Senate.

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