

**LEGISLATIVE SERVICES AGENCY  
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

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**FISCAL IMPACT STATEMENT**

**LS 6657**

**BILL NUMBER:** HB 1537

**NOTE PREPARED:** Dec 18, 2010

**BILL AMENDED:**

**SUBJECT:** 1977 Fund Disability Benefits.

**FIRST AUTHOR:** Rep. Speedy

**FIRST SPONSOR:**

**BILL STATUS:** As Introduced

**FUNDS AFFECTED:**    **GENERAL**  
                          **X DEDICATED**  
                          **FEDERAL**

**IMPACT:** State & Local

**Summary of Legislation:** This bill:

(1) allows a certain member or survivor of a member of the 1977 Police Officers' and Firefighters' Pension and Disability Fund (1977 Fund) who applied for disability before 1990 and is receiving a disability benefit to apply to a local board for a recommendation as to whether the member's disability occurred in the line of duty;

(2) provides that the local board shall make a recommendation of its findings to the 1977 Fund Advisory Committee;

(3) provides that the 1977 Fund Advisory Committee shall make an initial determination of whether the member's disability occurred in the line of duty;

(4) provides that if the 1977 Fund Advisory Committee fails to timely provide an initial determination, the default determination will be made by the Public Employees' Retirement Fund's (PERF) medical authority;

(5) provides that the PERF Board makes a final determination of whether the member's disability occurred in the line of duty;

(6) establishes procedures to appeal: (A) a recommendation by the local board; (B) an initial determination by the 1977 Fund Advisory Committee; or (C) an initial default determination made by the PERF medical authority;

(7) provides that a certain member or survivor of a member may apply to the local board within two years

of the PERF Board providing notice that it has received a favorable ruling from the Internal Revenue Service; and

(8) provides that the PERF Board shall provide notice to certain 1977 Fund members of the Internal Revenue Service's ruling within 30 days of its receipt.

**Effective Date:** July 1, 2011.

**Explanation of State Expenditures:** As administrators of the 1977 Police Officers' and Firefighters' Pension and Disability Fund, PERF will incur a minimal expenditure of about \$16,500 for filing fees and an outside counsel.

**Explanation of State Revenues:**

**Explanation of Local Expenditures:**

**Explanation of Local Revenues:**

**State Agencies Affected:** PERF.

**Local Agencies Affected:** Units with members in the 1977 Police Officers' and Firefighters' Pension and Disability Fund.

**Information Sources:** Allison Murphy, Legislative Director, PERF, 317-233-4132.

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