



CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

June 22, 2012

H.R. 4018 **Public Safety Officers' Benefits Improvements Act of 2012**

As ordered reported by the House Committee on the Judiciary on June 6, 2012

CBO estimates that implementing H.R. 4018 would have no significant cost to the federal government. Enacting the bill could affect direct spending; therefore, pay-as-you-go procedures apply. However, CBO estimates that any effects would be insignificant for each year. The legislation would not affect revenues.

Under current law, the families of public safety officers who have died as a result of injuries sustained in the line of duty are eligible for a one-time payment of about \$320,000. Public safety officers who have been permanently disabled are eligible for the same payment, but this payment is subject to the availability of appropriated funds.

This legislation would make members of rescue squads or ambulance crews operated by nonprofit entities eligible for benefits paid when public safety officers are permanently disabled or die as a result of injuries sustained in the line of duty. H.R. 4018 also would narrow the eligibility of members of rescue squads or ambulance crews for benefits under the Public Safety Officers' Benefit (PSOB) program; as a result, some individuals would no longer receive benefits that they could receive under current law. The bill would prevent individuals from receiving certain benefits under the program if they receive payments from the September 11th Victim Compensation Fund of 2001. In addition, the proposed legislation would make many technical and administrative changes that aim to expedite the processing of claims for benefits.

Based on the number of fatalities of members of nonprofit rescue squads or ambulance crews in recent years, CBO expects that, on average, a few persons each year would be affected by the proposed legislation and that additional payments from the PSOB program would be made. CBO estimates that those payments would total \$13 million over the 2013-2022 period. However, based on information from the Department of Justice, we expect that those costs would be offset by savings from other provisions of the bill that would result in fewer persons receiving PSOB payments than will receive them under current law. As a result, CBO estimates that enacting the legislation would have no significant net effect on direct spending or discretionary spending from the PSOB program.

H.R. 4018 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act and would impose no costs on state, local, or tribal governments.

The CBO staff contact for this estimate is Mark Grabowicz. The estimate was approved by Theresa Gullo, Deputy Assistant Director for Budget Analysis.