

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2021

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HOUSE PRINCIPAL CLERK

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HOUSE BILL DRH40216-MRxf-88

Short Title: Firefighters Fighting Cancer Act of 2021. (Public)

Sponsors: Representative D. Hall.

Referred to:

1 A BILL TO BE ENTITLED
2 AN ACT TO PROVIDE A SUPPLEMENTAL INSURANCE POLICY FOR FIREFIGHTERS
3 DIAGNOSED WITH CANCER.

4 The General Assembly of North Carolina enacts:

5 SECTION 1. This act shall be known as "The Firefighters Fighting Cancer Act of
6 2021."

7 SECTION 2.(a) Chapter 58 of the General Statutes is amended by adding a new
8 Article to read:

9 "Article 87A.

10 "Firefighter Cancer Health Care Benefit Plan.

11 "**§ 59-87A-1. Definitions.**

12 The following definitions apply in this Article:

- 13 (1) Cancer. – Malignant neoplasms of the body that may be caused by exposure
14 to heat, radiation, or a known carcinogen, as defined by the World Health
15 Organization's International Agency for Research on Cancer.
16 (2) Cancer Benefit Plan. – The North Carolina Firefighter Cancer Health Care
17 Benefit Plan established under this Article.
18 (3) Eligible firefighter. – A firefighter who meets the requirements of
19 G.S. 59-87A-10.
20 (4) Fire Department. – Any organization that is not a federal agency, including
21 any public or government-sponsored organization, that is located and based in
22 this State and provides rescue, fire suppression, and related activities.
23 (5) Firefighter. – As defined in G.S. 58-84-5.

24 "**§ 59-87A-5. Firefighter Cancer Health Care Benefit Plan.**

25 There is established a North Carolina Firefighter Cancer Health Care Benefit Plan to be
26 administered by the Department. The Cancer Benefit Plan shall be a supplemental insurance
27 policy that provides the benefits required under this Article to an eligible firefighter with a new
28 diagnosis of cancer on or after January 1, 2022.

29 "**§ 59-87A-10. Cancer Benefit Plan eligibility.**

30 (a) All firefighters that have served in a North Carolina fire department for a minimum
31 of five continuous years shall be eligible for benefits under the Cancer Benefit Plan.

32 (b) Only firefighters with a new diagnosis of cancer on or after January 1, 2022, shall be
33 eligible for benefits under the Cancer Benefit Plan. A firefighter with a diagnosis of cancer prior
34 to January 1, 2022, is not eligible for benefits under the Cancer Benefit Plan for that previously
35 diagnosed cancer type but remains eligible for benefits under the Cancer Benefit Plan upon
36 diagnosis of any other cancer type.



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1 (c) A firefighter is not eligible to receive benefits under this Article if that firefighter is
2 receiving benefits related to cancer under Article 1 of Chapter 97 of the General Statutes, the
3 North Carolina Workers' Compensation Act.

4 **"§ 59-87A-15. Benefits under the Cancer Benefit Plan.**

5 (a) Medical Costs Reimbursement. – An eligible firefighter shall receive reimbursement
6 of up to twelve thousand dollars (\$12,000) annually for any out-of-pocket medical expenses
7 incurred, including deductibles, copayments, or coinsurance costs.

8 (b) Lump Sum Benefit. – Not to exceed a lifetime benefit of fifty thousand dollars
9 (\$50,000), a lump sum benefit of twenty-five thousand dollars (\$25,000) for each diagnosis of
10 cancer shall be payable to an eligible firefighter upon sufficient proof to the insurance carrier,
11 the Department, or other applicable payor of a diagnosis of cancer by a board-certified, licensed
12 physician in the medical specialty appropriate for the type of cancer diagnosed.

13 (c) Disability Benefit. – Upon sufficient proof to the insurance carrier, the Department,
14 or other applicable payor of total disability resulting from the diagnosis of cancer or that the
15 cancer precludes the firefighter from serving as a firefighter, the following disability benefits
16 shall be paid to an eligible firefighter beginning six months after the total disability or inability
17 to perform the duties of a firefighter, whichever applies:

18 (1) For a nonvolunteer firefighter. – A monthly benefit that is either (i) equal to
19 seventy-five percent (75%) of the firefighter's monthly salary or (ii) five
20 thousand dollars (\$5,000), whichever is less.

21 (2) For a volunteer firefighter. – A monthly benefit of one thousand five hundred
22 dollars (\$1,500).

23 (d) Limitations on Disability Benefit. – The following limitations apply to disability
24 benefits under this section:

25 (1) Disability benefits shall continue for no more than 36 consecutive months.

26 (2) Any firefighter receiving disability benefits may be required to have his or her
27 condition reevaluated to determine if that firefighter has regained the ability
28 to perform the duties of a firefighter. If that reevaluation indicates that the
29 firefighter has regained the ability to perform the duties of a firefighter, then
30 the monthly disability benefits shall cease on the last day of the month the
31 reevaluation was conducted.

32 (3) If there is no reevaluation performed under subdivision (2) of this subsection,
33 but the firefighter's treating physician determines that the firefighter is again
34 able to perform the duties of a firefighter, then the disability benefits shall
35 cease on the last day of the month that the physician made the determination.

36 (4) If a firefighter returns to work as a firefighter before exhaustion of the 36
37 months of disability benefit an eligible firefighter may receive under this
38 section, and if there is a subsequent recurrence of disability caused by cancer
39 that again precludes the firefighter from performing the duties of a firefighter,
40 then the firefighter shall be entitled to any remaining monthly disability
41 benefits, not to exceed 36 months in total.

42 (5) The monthly disability benefit shall be subordinate to any other benefit paid
43 from any source to the firefighter solely for a disability related to the cancer
44 diagnosis, so long as that source is not private insurance purchased solely by
45 the firefighter. Disability benefits under this Article shall be limited to the
46 difference between the benefit amount paid by the other source and the
47 amounts specified under subsection (c) of this section.

48 **"§ 58-87A-20. Reporting requirements.**

49 On January 1, 2023, and annually thereafter, the Department shall submit a report to the
50 General Assembly and to the Governor that includes the following information for the year prior
51 to the report:

- 1 (1) The number, type, and primary work location of all firefighters participating
2 in the Cancer Benefit Plan.
3 (2) The number of Cancer Benefit Plan claims filed.
4 (3) The types of cancer for which claims are filed.
5 (4) All benefits paid out under this Article."

6 **SECTION 2.(b)** This section becomes effective January 1, 2022.

7 **SECTION 3.** No later than January 1, 2022, the Department of Insurance shall show
8 proof of insurance coverage that meets the requirements of this act for all firefighters included
9 on the Certified Roster submitted to the North Carolina State Firefighters' Association.

10 **SECTION 4.(a)** G.S. 105-228.5(d)(3) reads as rewritten:

11 "(3) Additional Rate on Property Coverage Contracts. – An additional tax at the
12 rate of ~~seventy four hundredths percent (0.74%)~~ one and one hundred
13 twenty-five thousandths percent (1.125%) applies to gross premiums on
14 insurance contracts for property coverage. The tax is imposed on ten percent
15 (10%) of the gross premiums from insurance contracts for automobile
16 physical damage coverage and on one hundred percent (100%) of the gross
17 premiums from all other contracts for property coverage. ~~Twenty percent~~
18 ~~(20%)~~ Ten percent (10%) of the net proceeds of this additional tax must be
19 credited to the Volunteer Fire Department Fund established in Article 87 of
20 Chapter 58 of the General Statutes. ~~Twenty percent (20%)~~ Fourteen percent
21 (14%) of the net proceeds must be credited to the Department of Insurance for
22 disbursement pursuant to G.S. 58-84-25. Up to ~~twenty percent (20%)~~,
23 fourteen percent (14%), as determined in accordance with G.S. 58-87-10(f),
24 must be credited to the ~~Workers' Compensation Fund.~~ North Carolina
25 Firefighters' and Rescue Squad Workers' Pension Fund under G.S. 58-86-1.
26 Five and one-half percent (5.5%) of the net proceeds must be credited to
27 individual fire departments' relief funds to be used in accordance with
28 G.S. 58-84-35(a)(8) for early cancer detection programs. Eleven and
29 three-quarters percent (11.75%) of the net proceeds must be credited to the
30 Department of Insurance to fund the Firefighter Cancer Benefit Plan
31 established under G.S. 59-87A-5. The remaining net proceeds must be
32 credited to the General Fund. The additional tax imposed on property
33 coverage contracts under this subdivision is a special purpose assessment
34 based on gross premiums and not a gross premiums tax.

35 The following definitions apply in this subdivision:

- 36 a. Automobile physical damage. – The following lines of business
37 identified by the NAIC: private passenger automobile physical
38 damage and commercial automobile physical damage.
39 b. Property coverage. – The following lines of business identified by the
40 NAIC: fire, farm owners multiple peril, homeowners multiple peril,
41 nonliability portion of commercial multiple peril, ocean marine, inland
42 marine, earthquake, private passenger automobile physical damage,
43 commercial automobile physical damage, aircraft, and boiler and
44 machinery. The term also includes insurance contracts for wind
45 damage.
46 c. NAIC. – National Association of Insurance Commissioners."

47 **SECTION 4.(b)** G.S. 105-153.5(b) is amended by adding a new subdivision to read:

48 "(15) The amount received by or paid to an eligible firefighter during the taxable
49 year for benefits under the Cancer Benefit Plan established in Article 87A of
50 Chapter 59 of the General Statutes."

1 **SECTION 4.(c)** This section is effective for taxes imposed for taxable years
2 beginning on or after July 1, 2021.
3 **SECTION 5.** Except as otherwise provided, this act is effective when it becomes
4 law.