

Response to Questions on the FY 2012 Budget

Request By: Supervisor Foust

Question: The Advertised Budget includes a disbursement increase of \$600,000 for Line of Duty Act obligations. Will that obligation be imposed on the County in FY 2012?

Response: The Line of Duty Act provides benefits to employees and volunteers of state and local governments who serve in hazardous duty positions. The Act provides for health insurance coverage and a death benefit payment for service-connected death or disability. Prior to FY 2011, the state administered and funded the program. Beginning in FY 2011, the state will continue to administer the program but will pass the costs of the program on to localities as an unfunded mandate.

The FY 2012 Advertised Budget includes funding of \$575,000 for expenses associated with the Line of Duty Act. The state is expected to begin billing localities for these expenses during FY 2012. In addition, Line of Duty Act expenses that were incurred in FY 2011 were paid by the state. However, it is anticipated that the Commonwealth will consider FY 2011 expenses to be the obligation of the localities and will seek reimbursement, which may require an adjustment during the *FY 2011 Carryover Review*. Staff continues to work towards understanding the full fiscal impact of the Line of Duty Act, especially as it pertains to required unfunded liability reporting.