

CONGRESSIONAL FIRE SERVICES INSTITUTE

TO: CFSI NATIONAL ADVISORY COMMITTEE
FROM: SEAN CARROLL, DIRECTOR OF GOVERNMENT AFFAIRS
SUBJECT: UPDATE ON FIRE SERVICE ISSUES IN THE 114TH CONGRESS – 2ND SESSION
DATE: DECEMBER 2, 2016

CONGRESSIONAL FIRE SERVICES CAUCUS

There are currently 225 members of the Congressional Fire Services Caucus. The current chairman of the Fire Caucus is Congressman Bill Pascrell, Jr. (NJ-9). Twenty-four members of the Fire Caucus will not be returning in the 115th Congress, either due to retirement, seeking other office, or being defeated in their bids for reelection. As a result, the Fire Caucus will have 201 members at the beginning of the 115th Congress. CFSI has been working with both the House and Senate co-chairs on an aggressive recruitment campaign and will continue to do so in 2017.

FISCAL YEAR 2017 APPROPRIATIONS

On Tuesday, February 9th, the White House released the Administration's Fiscal Year 2017 budget proposal, the final budget of the Obama Administration. The \$4.23 trillion budget contains \$40.6 billion for the U.S. Department of Homeland Security.

Included in the proposed budget are several programs of importance to the nation's fire and emergency services, including the Assistance to Firefighters (FIRE) and the Staffing for Adequate Fire and Emergency Response (SAFER) grant programs. The budget proposal recommends funding FIRE and SAFER at a combined \$670 million, with funds split equally between the two programs. This is a reduction of \$20 million from the level enacted by Congress for Fiscal Year 2016. Additionally, the President's budget proposes \$40,811,513 for the United States Fire Administration, plus an additional \$1.5 million for infrastructure improvements at the National Fire Academy. Congress funded USFA at \$44 million for Fiscal Year 2016. The Administration is also recommending a reduction in funding for the Urban Search and Rescue System, which was funded at \$35.18 million for Fiscal Year 2016. The White House is requesting \$27.5 million for this program in Fiscal Year 2017.

	Fiscal Year 2016 – Enacted	Fiscal Year 2017 – Administration's Request	H.R. 5634	S. 3001
Assistance to Firefighters Grant Program (FIRE/SAFER)	\$690,000,000.00	\$670,000,000.00	\$690,000,000.00	\$680,000,000.00
United States Fire Administration (USFA)	\$44,000,000.00	\$42,311,513.00	\$44,000,000.00	\$44,000,000.00
Urban Search and Rescue System	\$35,180,000.00	\$27,500,000.00	\$36,280,000.00	\$35,180,000.00

On July 6th, the House Appropriations Committee approved H.R. 5634, the Fiscal Year 2017 spending bill for the Department of Homeland Security. The \$47.8 billion spending bill contains \$6.7 billion for the Federal Emergency Management Agency (FEMA) and is \$432 million above the White House's requested funding level.

The bill funds the FIRE and SAFER grant programs at \$345 million each, the same level as the current fiscal year. The bill also provides \$42.5 million for the United States Fire Administration (USFA) and an additional \$1.5 million for infrastructure improvements at the agency's Emmitsburg, Maryland campus. The Urban Search and Rescue System is funded at \$36.28 million, an increase of \$1.1 million over the current fiscal year.

On May 26th, the Senate Appropriations Committee approved S. 3001, that chamber's version of the FY17 Homeland Security spending measure. The Senate bill funds the FIRE and SAFER grant programs at a combined \$680 million, \$10 million less than the current fiscal year. USFA is funded at \$44 million and the Urban Search and Rescue System is funded at \$35.18 million, the same funding levels the current fiscal year.

On Wednesday, September 28th, both the House and Senate approved H.R. 5325, a 10-week continuing resolution funding the federal government through December 9, 2016. In addition to continuing funding for the federal government at current levels, the legislation includes full Fiscal Year 2017 funding for military construction and veterans' programs. The bill also contains \$1.1 billion in funding to respond to the Zika virus and \$500 million to assist flood victims in Louisiana and other affected states.

Congress will likely pass a second continuing resolution funding the federal government well into the next calendar year. Current discussions on Capitol Hill indicate the stopgap funding measure could run through late April or early May.

FIREFIGHTER CANCER REGISTRY ACT

Studies have indicated a strong link between firefighting and an increased risk of several major cancers, including colon, lung, melanoma, mesothelioma, non-Hodgkin's lymphoma, non-melanoma skin cancer, prostate, rectal, testicular, stomach, multiple myeloma and brain cancer. The heightened risk of cancer among firefighters has been attributed to frequent exposure to a range of harmful toxins.

Studies examining cancer risks among firefighters have been limited by the availability of important data and relatively small sample sizes that have an underrepresentation of women, minorities, and volunteer firefighters. As a result, public health researchers have been unable to fully examine and understand the broader epidemiological cancer trends among firefighters. A specialized national cancer registry would expand access to vital epidemiological data and improve research outcomes.

On February 25, 2016, Congressman Richard Hanna (NY-22) and Congressman Bill Pascrell, Jr. (NJ-9) introduced H.R. 4625, the Firefighter Cancer Registry Act. This bill would establish a specialized national cancer registry to be managed by the Centers for Disease Control and Prevention.

H.R. 4625, the Firefighter Cancer Registry Act, has been referred to the House Committee on Energy and Commerce. Companion legislation, S. 2799, was introduced by Senator Robert Menendez (NJ) on April 14, 2016. The Senate bill has been referred to the Senate Committee on Health, Education, Labor and Pensions.

PUBLIC SAFETY OFFICERS' BENEFITS PROGRAM

On April 29th, Congressman Bill Pascrell, Jr. (NJ-9), chairman of the Congressional Fire Services Caucus, introduced H.R. 5123, the Honoring Emergency Response Officers (HERO) Benefits Reform Act of 2016. The bill would address on-going problems with the Public Safety Officers' Benefits (PSOB) program. Specifically, H.R. 5123 would:

- Create a presumption that the public safety officer was acting appropriately in cases where gross-negligence may be a factor (i.e. excessive speeding);
- Allow claimants to file their claim with the Court of Federal Appeals if a determination has not been made within one year;
- Requires the Department of Justice (DOJ) to make an annual report to Congress on claims; and
- Clarifies that fire police and fire investigators are eligible public safety officers.

The first section was a priority for a number of the national law enforcement organizations. Congressman Pascrell's staff believes this will address some of the causes of DOJ not making determinations in a timely manner.

On May 18th, Senator Charles Grassley (IA), chairman of the Senate Judiciary Committee, introduced S. 2944, the Public Safety Officers Benefits Improvement Act. Senator Kristin Gillibrand (NY) is the lead cosponsor of the legislation. The legislation would:

- Allow PSOB to issue rules, regulations and procedures that are based on standards developed by other federal agencies dealing with death or disability claims of public safety officers (this is a direct response to DOJ's delay in adopting the World Trade Center Health Program and Victims' Compensation Fund findings associated with 9/11-related claims);
- Restore the "substantial weight" standard that required PSOB to give substantial weight to the findings of federal, state, and local agencies as to the cause of the public safety officer's death or disability prior to the rewrite of regulations in 2005;
- Require PSOB to post a public weekly status report on claims; and
- Require PSOB to make a detailed biannual report to Congress on claims.

The reporting requirements in the bill are similar to the ones in the Pascrell bill, but differ slightly in the type of information required and submission deadlines. While the Senate bill does not contain the language on fire police and fire investigators, the national fire service organizations are discussing the issue with the bill sponsors. The Senate approved the legislation by unanimous consent on November 29th.

On July 15, 2016, the Department of Justice published a Notice of Proposed Rulemaking (NPR) announcing the intent of the Department to make changes to regulations implementing the Public Safety Officers' Benefits (PSOB) Act. The proposed regulatory changes will allow the Bureau of Justice Assistance (BJA) to adopt the World Trade Center (WTC) Health Program's list of WTC-Related Health Conditions to establish a means for claimants to show that line-of-duty illnesses contracted during their response to the September 11th attacks are considered an injury for the purposes of the PSOB Program. Additionally, the proposed rule would make changes to the regulations implementing the Hometown Heroes Survivors Benefits Act by creating a more efficient claims process and eliminating past circumstances where BJA would often unnecessarily seek additional medical evidence from claimants. CFSI is working with the other national fire service organizations to submit public comments in support of the proposed rule.

Following the release of the July 15th NPR, the Department of Justice released a second proposed rule on August 22, 2016. The second rule is much more substantial than the earlier rule and makes significant changes to the PSOB regulations, including expanding coverage to firefighter trainees and fire police. A final rule implementing the new regulations is expected to be published before the end the year.

FIRE SPRINKLER INCENTIVE ACT

On September 22, 2015, Congressmen Tom Reed (NY-23) and James Langevin (RI-2) introduced H.R. 3591, the Fire Sprinkler Incentive Act. Senators Susan Collins (ME) and Thomas Carper (DE) introduced identical legislation, S. 2068, in the Senate on the same day.

First introduced following the deadly Station Nightclub fire in West Warwick, RI in 2003, the legislation would create a tax incentive for property owners to retrofit existing buildings with automatic sprinkler systems. Specifically, the bill would amend the Internal Revenue Code to include automated fire sprinkler system retrofits as section 179 property. This would allow small and medium-sized businesses to deduct up to \$125,000 of the cost for retrofitting a building with an automatic sprinkler system. Additionally, the bill would classify automated fire sprinkler system retrofits in high-rise buildings as a 15-year property for purposes of depreciation. Currently, the depreciation schedule for a fire sprinkler retrofit is 39-years in a commercial building and 27 ½- years in a residential building.

According to the National Fire Protection Association (NFPA), in 2014, there were 1,298,000 fires reported in the United States, causing 3,275 civilian fire deaths, 15,775 civilian injuries, and \$11.6 billion in property damage. When you include the indirect cost of fire, such as lost economic activity, the cost is closer to \$108 billion annually.

Studies by NFPA have concluded that buildings outfitted with sprinklers reduce the death rate per fire by at least 57% and decrease the property damage by up to 68%.

H.R. 3591 has been referred to the House Committee on Ways and Means. S. 2068 was referred to the Senate Finance Committee.

NATIONAL MITIGATION INVESTMENT ACT

On May 10th, Congressman Carlos Curbelo (FL-26) introduced H.R. 5177, the National Mitigation Investment Act. The legislation would create a national strategy for investing in pre-disaster mitigation and utilize a powerful mix of incentives to encourage states and local governments to build more resiliently in the face of a rising number of disasters. Under the legislation, states that adopt and enforce nationally-recognized model building codes would qualify for an additional 4% of funding available for post-disaster grants from the Federal Emergency Management Agency (FEMA). Additionally, the legislation would create a grant program at FEMA to assist states in adopting and enforcing model building codes.

Since 1983, the U.S. has spent nearly \$1 trillion on disaster recovery and rebuilding. But more than ten percent of that amount, \$137 billion, was spent in just the past four years. Despite the alarming numbers, the federal government invested just \$22 million in pre-disaster mitigation between 2011 and 2013, correlating to \$1 spent on mitigation efforts for every \$6 spent on recovery during that same period.

Stronger, safer buildings during natural disasters can save lives, reduce property loss and public disaster aid. The Louisiana State University (LSU) Hurricane Center estimated that stronger building codes would have reduced wind damage from Hurricane Katrina by 80%, saving taxpayers \$8 billion. The Center conducted a comparative analysis of the economic loss in Mississippi due to Katrina that showed a savings of \$3.1 billion if tougher building codes had been in place.

Standardized building codes promote a level and consistent playing field for design professionals, suppliers, and builders and create a minimum standard upon which consumers can rely. In addition to saving lives and reducing property loss, statewide building codes based on nationally recognized standards contribute to the durability of structures; in some locations, these codes favorably affect the affordability and availability of insurance.

H.R. 5177 is part of an ongoing national mitigation investment strategy being championed by the BuildStrong Coalition, a coalition of national business and consumer organizations, companies, and public safety associations dedicated to promoting stronger building codes. H.R. 5177 has been referred to the House Committee on Transportation and Infrastructure's Subcommittee on Economic Development, Public Buildings, and Emergency Management.

VOLUNTEER FIREFIGHTER TAX INCENTIVE BILLS

On February 27, 2015, Congressman Peter King (NY-2) introduced H.R. 1171, the Volunteer Emergency Services Recruitment and Retention Act (VESRRA). Senator Susan Collins (ME) and Senator Charles Schumer (NY) introduced a companion measure, S. 616, the same day. The legislation would clarify the tax treatment of length of service award programs (LOSAPs).

LOSAPs are important to the volunteer fire service, allowing fire departments to offer incentives, including retirement savings plans, to retain veteran firefighters. However, these incentives, under current law, are subject to various risks. For instance, contributions into certain LOSAPs cannot be guaranteed to volunteers, meaning that they are vulnerable to creditors if the department goes bankrupt. Additionally, a federal cap established in 1996 on annual contributions into a LOSAP has never been adjusted for inflation, reducing the value of the LOSAP funds for many departments. And a large number of volunteer fire departments are quasi-governmental but have their LOSAPs treated as private plans, subject to unnecessarily stringent reporting requirements. VESRRA would address each of these issues, simplifying the tax treatment of LOSAPs without increasing or reducing taxes.

Also on February 27th, Senator Schumer and Senator Collins introduced S. 609, the Volunteer Responder Incentive Protection Act (VRIPA), a distinctly separate piece of legislation. This measure would exempt from federal income tax any property tax benefit, and up to \$600 per year of any other type of benefit, that a state or local unit of government provides to volunteer emergency responders as a recruitment or retention incentive. The Senate Finance Committee unanimously approved the legislation on September 21, 2016 as part of the consideration of the Retirement Enhancement and Savings Act. Congressman John Larson (CT-1) introduced companion legislation to S. 609, H.R. 2752, on June 12th.