

**Testimony from Brian M. Daniels, Executive Director
Governor's FY 2020 (H5151) – Article 3, Section 27, Injured on Duty
House Committee on Finance
March 7, 2019**

Thank you, Mr. Chairman and members of the committee, for the opportunity to testify. The League of Cities and Towns supports the Governor's efforts to close existing loopholes with Injured on Duty benefits for public safety employees. However, we believe that those reforms should also extend to cities and towns – not just state employees. IOD is an important benefit for our public safety officers who sustain workplace injuries, but we need to make sure the law does not incentivize the inappropriate use of taxpayer dollars.

I serve on the State Retirement Board and on its Disability Subcommittee. The Disability Subcommittee is charged with reviewing and approving or denying disability pension applications from state employees, teachers and municipal employees in the state-run retirement system. Also, because of my contact with mayors and town managers, I have heard many of the challenges they face with employees who are out on IOD for extended periods of time as they apply for disability benefits.

Public safety employees may apply for disability retirement while they are out of work on IOD. During that time, they are collecting full salary and benefits. The employer often has a vacancy that has to be filled with overtime from the existing workforce. Current law (RIGL 45-19-1) allows IOD payments for up to 18 months from the date of injury or 6 months from reaching maximum medical improvement, whichever is later. Further, the applicant may continue to collect IOD payments throughout the application disability process – which may take a year or longer, depending on the outcome. In the event of an appeal, an applicant can receive IOD payments throughout the entire process – possibly for many years after the original incident. Also, because the IOD benefit is 100% of salary and an accidental disability pension is 66 2/3%, some applicants find opportunities to delay the process. I have seen that firsthand with disability applications being submitted long after the original injury, difficulty in accessing medical records, and repeated requests for delays during the appeals process. This entire time, cities and towns are paying full salary for a vacant position and often overtime to backfill that work. The Governor's proposal addresses all of these problems and ensures that IOD is a temporary benefit, as originally intended.

The Department of Administration has documented the impact of IOD problems in the Sheriffs Division, and I can report the cities and towns are facing similar challenges. While it is a little more difficult to quantify the impact at the municipal level, a survey of fifteen communities in the state-run MERS system found IOD spending of \$4.0 million over the last five years. Four communities averaged more than \$100,000 per year, and one community reported spending over a half - million in IOD-related benefits to one individual whose case has been pending for over eight years. While that data represents only 15 of the 25 cities and towns in the MERS system and does not include fire districts, illustrates the need for IOD reform at the municipal level as well.

The Governor has put forward a thoughtful proposal that maintains the IOD benefit for those who need it while closing loopholes that lead to abuse. We encourage the Committee to support the Governor’s language but believe that IOD reform that does not include cities and towns is incomplete and insufficient. Thank you for your consideration of our views.