

RÉSUMÉ DIGEST

ACT 173 (HB 163)

2021 Regular Session

Brass

Existing law (R.S. 13:5554(G)) applicable to the sheriff's office of St. James Parish provides that the premium costs of group hospital, surgical, medical expense, and dental insurance and the first \$10,000 of life insurance shall be paid in full from the sheriff's general fund for all sheriffs and deputy sheriffs retired with at least either:

- (1) 15 years of service who are at least 55 years of age.
- (2) 30 years of service at any age.

New law creates the St. James Parish Retired Employees Insurance Fund (SJREIF) to fund the payment by the St. James Parish sheriff's office for the premium costs of insurance for retired sheriffs and deputy sheriffs as provided in existing law.

New law provides that the following monies shall be deposited by the sheriff of St. James Parish into the SJREIF until the total amount of the monies including principal and earnings equals the sum of \$4 million:

- (1) 1% of the monies received in the St. James Parish sheriff's general fund each year.
- (2) Any other monies that the sheriff of St. James Parish may contribute to the SJREIF.

New law provides for the investment of monies in the SJREIF as follows:

- (1) Not less than 25% in equities.
- (2) At least 25% in fixed income investments, provided that a minimum of 25% of the fixed income portion is rated as investment grade by a nationally recognized rating agency.

New law provides that earnings realized from investments shall be available for the sheriff to withdraw for the purpose of paying the insurance premium costs, provided that no such earnings shall be withdrawn until the amount of principal and accumulated earnings in the SJREIF is equal to the sum of \$4 million. Provides that if the deposits and earnings on investments falls below \$4 million, no earnings shall be withdrawn and any balance owed for the payment of insurance premium costs shall be paid in full from the sheriff's general fund.

New law requires any financial audit by the sheriff's office to comply with the provisions of new law.

New law requires the sheriff to establish a five-member investment advisory board consisting of the following:

- (1) The controller, the chief financial officer, or the finance manager of the sheriff's office, regardless of years of service.
- (2) A combination of active deputy sheriffs, retired sheriffs, or retired deputy sheriffs of the office, appointed by the sheriff, with at least one position designated for a retired sheriff or deputy sheriff. The minimum eligibility requirements of a board member appointed to any of these four remaining positions shall be at least 15 years of full-time service.

New law requires the board to meet within 30 days after appointment of members and provides for the controller, chief financial officer, or finance manager to serve as a chairperson at the first meeting of the board. Provides that members of the board shall serve terms concurrent with that of the sheriff.

New law requires the sheriff to appoint a qualified replacement to fill a vacancy on the board, within 60 days of the date the vacancy occurs.

New law requires the board to retain a financial advisor and legal counsel to provide recommendations and legal consultation concerning the investment of the funds. Provides the board shall adopt rules governing their selection and compensation.

Effective August 1, 2021.

(Adds R.S. 13:5554.6)