

2017 Regular Session

HOUSE BILL NO. 72

BY REPRESENTATIVE LEOPOLD

Prefiled pursuant to Article III, Section 2(A)(4)(b)(i) of the Constitution of Louisiana.

INSURANCE/GROUP-SHERIFFS: Provides relative to group insurance premiums of the Plaquemines Parish Sheriff's Office and distributions to the Plaquemines Parish Retired Employees' Insurance Fund

1 AN ACT

2 To amend and reenact R.S. 13:5554(N) and 5554.3(B), (C), (D), (E), and (F) and to repeal  
3 R.S. 13:5554.3(G), relative to the Plaquemines Parish Sheriff's Office; to provide for  
4 the payment of certain group insurance premiums for retirees of the Plaquemines  
5 Parish Sheriff's Office; to provide for the qualifications for payment of certain  
6 insurance premiums; to provide relative to the Plaquemines Parish Retired  
7 Employees' Insurance Fund; to provide for sheriff contributions; to provide for  
8 limitations on withdrawal; to provide for limitations on investments; to provide for  
9 membership and election of the advisory board; to provide relative to the  
10 requirement for the advisory board and certain positions; and to provide for related  
11 matters.

12 Be it enacted by the Legislature of Louisiana:

13 Section 1. R.S. 13:5554(N) and 5554.3(B), (C), (D), (E), and (F) are hereby  
14 amended and reenacted to read as follows:

15 §5554. Group insurance; kinds; amounts; subrogation

16 \* \* \*

17 N.(1) Notwithstanding the provisions of Subsection D of this Section,  
18 effective July 1, 2003, the premium costs of group hospital, surgical, medical  
19 expense, and dental insurance and the first ten thousand dollars of life insurance

1 contracted for under the provisions of this Section shall be paid in full by the sheriff  
2 of Plaquemines Parish from the sheriff's general fund for all sheriffs and deputy  
3 sheriffs who retired from the sheriff's office of that parish with at least twelve years  
4 of service with that sheriff's office and who have either (1) at least fifteen years of  
5 service and being at least fifty-five years of age or (2) at least thirty years of service  
6 at any age. The provisions of this Paragraph shall apply to all persons hired by the  
7 Plaquemines Parish Sheriff's Office prior to July 1, 2017.

8 (2) Notwithstanding the provisions of Subsection D of this Section, the  
9 Plaquemines Parish Sheriff's Office shall pay the premium costs of group hospital,  
10 surgical, medical expense, and dental insurance and the first ten thousand dollars of  
11 life insurance out of the sheriff's general fund for any retired sheriff and any retired  
12 deputy sheriff who was hired on or after July 1, 2017, and retired from the  
13 Plaquemines Parish Sheriff's Office as follows:

14 (a) Fifty percent of the premium costs of group hospital, surgical, medical  
15 expense, and dental insurance and the first ten thousand dollars of life insurance for  
16 any sheriff or deputy sheriff who retires from the Plaquemines Parish Sheriff's Office  
17 with fifteen years of creditable service with the Plaquemines Parish Sheriff's Office  
18 and is at least fifty-five years of age.

19 (b) Seventy-five percent of the premium costs of group hospital, surgical,  
20 medical expense, and dental insurance and the first ten thousand dollars of life  
21 insurance for any sheriff or deputy sheriff who retires from the Plaquemines Parish  
22 Sheriff's Office with twenty years of creditable service with the Plaquemines Parish  
23 Sheriff's Office and is at least fifty-five years of age.

24 (c) One hundred percent of the premium costs of group hospital, surgical,  
25 medical expense, and dental insurance and the first ten thousand dollars of life  
26 insurance for any sheriff or deputy sheriff who retires from the Plaquemines Parish  
27 Sheriff's Office with twenty-five years of creditable service with the Plaquemines  
28 Parish Sheriff's Office and is at least fifty-five years of age.



1           D. The ~~earnings realized on the monies invested~~ deposited pursuant to  
2           Subsection ~~C~~ B of this Section and the monies invested pursuant to Subsection C of  
3           this Section and the accumulated earnings shall be available for the sheriff to  
4           withdraw for the purpose of paying the insurance ~~premium costs, claims or~~  
5           premiums for retired sheriffs and retired deputy sheriffs of Plaquemines Parish.  
6           ~~provided in R.S. 13:5554(N) for retired sheriffs and retired deputy sheriffs of~~  
7           ~~Plaquemines Parish, provided that no such earnings shall be withdrawn until the~~  
8           ~~amount of principal and accumulated earnings in the PREIF is equal to the sum of~~  
9           ~~five million dollars. In the event that the total amount of monies derived from~~  
10          ~~deposits provided in Subsection B of this Section and investment earnings fall below~~  
11          ~~the sum of five million dollars, no earnings shall be withdrawn, and any balance~~  
12          ~~owed for the payment of insurance premium costs as required by R.S. 13:5554(N)~~  
13          ~~shall be paid in full from the sheriff's general fund.~~

14          E. ~~The monies deposited pursuant to Subsection B of this Section and the~~  
15          ~~accumulated earnings up to a total of five million dollars shall not be appropriated~~  
16          ~~except in compliance with the provisions of Subparagraphs G(1)(f) and (g) of this~~  
17          ~~Section and shall be used only for making income-producing investments as~~  
18          ~~provided in this Section.~~

19          F. Any financial audit conducted of the sheriff's office of Plaquemines Parish  
20          shall specifically address compliance with the provisions of this Section.

21          ~~G.(1)~~ F. To provide recommendations concerning the investment of funds  
22          as provided in Subsection C of this Section, the sheriff shall establish an investment  
23          advisory board consisting of three members as follows:

24                 ~~(a)~~(1) The sheriff.

25                 ~~(b)~~(2) Two active deputy sheriffs of the department elected by the other  
26          active deputy sheriffs of the department. If more than two people qualify for the  
27          election, the two candidates receiving the highest number of votes cast shall be  
28          elected to the board.

1           ~~(e)~~(3) The sheriff shall use and provide all means necessary and proper to  
2           conduct the initial and subsequent elections. All expenses, including the printing of  
3           the ballots for the initial and subsequent elections, shall be borne by the sheriff and  
4           paid out of the sheriff's general fund.

5           ~~(d)~~(4) The members of the board shall elect a chairperson at its first board  
6           meeting which shall be held within thirty days after the election of board members.  
7           The board shall adopt rules governing the election of the members of the board. The  
8           election of board members shall be called and supervised by the board with the  
9           assistance of the sheriff.

10          ~~(e)~~(5) ~~Should~~ If a vacancy ~~occur~~ occurs on the board, within sixty days of  
11          the date the vacancy occurs, the board shall appoint a member to fill the vacancy for  
12          the unexpired term who is qualified to serve on the board as provided in  
13          ~~Subparagraph (b) of this Paragraph (2) of this Subsection.~~ If a board member who  
14          is an active deputy sheriff elected pursuant to Subparagraph (b) of this Paragraph (2)  
15          of this Subsection retires, he may continue to serve for the remainder of the term for  
16          which he was elected, if less than two years remain on his term; however, if more  
17          than two years remain on his term, the board shall appoint an active deputy sheriff  
18          to fill the remainder of that term.

19          ~~(f)~~(6) The members of the board shall ~~retain a financial advisor and legal~~  
20          ~~counsel to provide recommendations and legal consultation concerning the~~  
21          ~~investment of the funds. The board shall adopt rules governing their selection and~~  
22          ~~compensation. The board may retain the sheriff's office in-house legal counsel. be~~  
23          ~~paid a per diem for each day of attendance at meetings of the board or on authorized~~  
24          ~~business of the board. The board shall establish the per diem rates.~~

25          ~~(g)~~(7) ~~The board members of the board shall be paid a per diem for each day~~  
26          ~~of attendance at meetings of the board or on authorized business of the board. The~~  
27          ~~board shall establish the per diem rates. retain a financial advisor and legal counsel~~  
28          ~~to provide recommendations and legal consultation concerning the investment of the~~

1        funds. The board shall adopt rules governing their selection and compensation. The  
2        board may retain the sheriff's office in-house legal counsel.  
3                ~~(2)~~(8) Members of the board shall serve terms concurrent with that of the  
4        sheriff.  
5                (9) If the monies deposited pursuant to Subsection B of this Section and the  
6        monies invested pursuant to Subsection C of this Section fall below ten thousand  
7        dollars, the requirement for an investment advisory board, as provided in Subsection  
8        F of this Section, and a financial advisor and legal counsel, as provided in Paragraph  
9        (7) of this Subsection, will be extinguished.  
10       Section 2. R.S. 13:5554.3(G) is hereby repealed in its entirety.

DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

HB 72 Engrossed

2017 Regular Session

Leopold

**Abstract:** Requires sheriffs and deputy sheriffs who were hired on or after July 1, 2017, by the Plaquemines Parish Sheriff's Office to have either 15, 20, 25, or 30 years of creditable service upon retiring from the Plaquemines Parish Sheriff's Office in order to have a certain percentage of the premiums for health and life insurance benefits paid from the sheriff's general fund, and provides relative to the contributions to and the distribution of the Plaquemines Parish Retired Employees' Insurance Fund.

Present law 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 out of the sheriff's general fund for all sheriffs and deputy sheriffs who retire from the Plaquemines Parish Sheriff's Office with at least 12 years of service with the Plaquemines Parish Sheriff's Office and have either:

- (1) At least 15 years of service and have reached the age of 55.
- (2) At least 30 years of service at any age.

Proposed law retains present law but specifies that the provisions of present law only apply to persons hired by the Plaquemines Parish Sheriff's Office before July 1, 2017.

Proposed law further requires that the Plaquemines Parish Sheriff's Office pay premium costs of group hospital, surgical, medical expense, and dental insurance and the first \$10,000 of life insurance out of the sheriff's general fund for all sheriffs and deputy sheriffs who retire from the Plaquemines Parish Sheriff's Office and were hired for the first time on or after July 1, 2017, as follows:

- (1) 100% of the premium costs with at least 30 years of creditable service with the Plaquemines Parish Sheriff's Office regardless of age.

- (2) 100% of the premium costs with at least 25 years of creditable service with the Plaquemines Parish Sheriff's Office and who are at least 55 years of age.
- (3) 75% of the premium costs with at least 20 years of creditable service with the Plaquemines Parish Sheriff's Office and who are at least 55 years of age.
- (4) 50% of the premium costs with at least 15 years of creditable service with the Plaquemines Parish Sheriff's Office and who are at least 55 years of age.

Present law provides for the Plaquemines Parish Retired Employees' Insurance Fund (PREIF) to fund the payment by the sheriff's office of Plaquemines Parish of the premium costs for eligible retired sheriffs and retired deputy sheriffs.

Present law provides that the following monies will be deposited into the PREIF until the total amount of the monies including principal and earnings in the PREIF equals the sum of \$5,000,000:

- (1) 1½% of the monies received by the Plaquemines Parish Sheriff's Office for its efforts of collecting parish property tax.
- (2) 50% percent of the revenues received by the Plaquemines Parish Sheriff from video poker proceeds.
- (3) Any other monies that the sheriff of Plaquemines Parish may contribute to the PREIF.

Proposed law removes these provisions of present law and provides that the sheriff may contribute to the PREIF at his discretion.

Present law provides that the sheriff must invest the monies in the PREIF as follows:

- (1) Not more than 50% in equities.
- (2) At least 50% in fixed income investments, provided that not more than one-half of the investment in fixed income may be invested in corporate bonds.

Present law permits the earnings realized on the monies invested be available for the sheriff to withdraw for the purpose of paying the insurance premium costs for retired sheriffs and retired deputy sheriffs of Plaquemines Parish, provided that no such earnings will be withdrawn until the amount of principal and accumulated earnings in the PREIF is equal to the sum of \$5,000,000.

Proposed law retains present law but removes the provision prohibiting withdrawal from the PREIF until the amount of principal and accumulated earnings is equal to the sum of \$5,000,000.

Present law requires the sheriff to establish an investment advisory board consisting of three members as follows:

- (1) The sheriff.
- (2) Two active deputy sheriffs of the department elected by the other active deputy sheriffs of the department. If more than two people qualify for the election, the two candidates receiving the highest number of votes cast shall be elected to the board.

Present law further provides for election of members, filling of vacancies, election of a chairperson, terms of office, the adoption of rules by the board, compensation of the board, and the requirement that the board retain a financial advisor and legal counsel.

Proposed law retains present law but provides that if money deposited into the PREIF falls below \$10,000, the requirement for the board and the financial and legal counsel provided for in present law will be extinguished.

(Amends R.S. 13:5554(N) and 5554.3(B), (C), (D), (E), and (F); Repeals R.S. 13:5554.3(G))