

LEGISLATIVE FISCAL OFFICE
Fiscal Note



Fiscal Note On: **SB 517** SLS 20RS 1267
 Bill Text Version: **REENGROSSED**
 Opp. Chamb. Action:
 Proposed Amd.:
 Sub. Bill For.: SB 388

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|----------------------------------------------------------------|----------------------------------|
| Date: May 18, 2020 3:04 PM | Author: FIELDS |
| Dept./Agy.: Risk Management | Analyst: Rebecca Robinson |
| Subject: Survivor benefits for law enforcement officers | |

WORKERS' COMPENSATION RE SEE FISC NOTE SG EX See Note Page 1 of 1
 Provides for continuation of the weekly death benefit for the surviving spouse of a law enforcement officer upon remarriage. (8/1/20)
 Proposes to amend R.S. 23:1233, providing weekly workers' compensation benefits to the surviving spouse of a law enforcement officer killed in the line of duty, even after remarriage.
 Effective August 1, 2020.

| EXPENDITURES | 2020-21 | 2021-22 | 2022-23 | 2023-24 | 2024-25 | 5 -YEAR TOTAL |
|---------------------|----------------|----------------|----------------|----------------|----------------|----------------------|
| State Gen. Fd. | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Agy. Self-Gen. | SEE BELOW | SEE BELOW | SEE BELOW | SEE BELOW | SEE BELOW | |
| Ded./Other | SEE BELOW | SEE BELOW | SEE BELOW | SEE BELOW | SEE BELOW | |
| Federal Funds | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Local Funds | SEE BELOW | SEE BELOW | SEE BELOW | SEE BELOW | SEE BELOW | |
| Annual Total | | | | | | |
| REVENUES | 2020-21 | 2021-22 | 2022-23 | 2023-24 | 2024-25 | 5 -YEAR TOTAL |
| State Gen. Fd. | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Agy. Self-Gen. | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Ded./Other | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Federal Funds | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Local Funds | <u>\$0</u> | <u>\$0</u> | <u>\$0</u> | <u>\$0</u> | <u>\$0</u> | <u>\$0</u> |
| Annual Total | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |

EXPENDITURE EXPLANATION

There is a potential impact on expenditures of the Office of Risk Management for payment of future benefits. There will be no increase in expenditures; rather ORM will continue to pay the benefits they are currently paying. The agency will not experience the decrease in benefits paid out that they would have experienced under current law.

Current law requires that the weekly compensation benefit to the surviving spouse will continue until their death or remarriage. The proposed legislation will now require the Office of Risk Management (ORM) to continue payment of these weekly compensation benefits to the surviving spouse until their death, even if the spouse remarries. ORM reports there have been 12 approved claims for survivor benefits in the past four years for an average of four (4) new claims per year. ORM is currently paying benefits to 10 surviving spouses with an annual benefit total of \$133,107 (average annual benefit per surviving spouse is \$13,310). ORM also reports in the past 5 years that there have been no termination of benefits due to remarriage.

Note: This program is funded from Interagency Transfers and Fees & Self-Generated Revenues that are derived from premiums billed to state agencies for insurance provided by this office and from interest earnings from the self insurance fund.

There will be similar impacts to local municipalities and/or other local political subdivisions as a result of the proposed legislation for continued payments to surviving spouses of law enforcement officers as defined by statute. The Municipal Police Employees' Retirement System reports that 7 law enforcement officers have been killed in the line of duty since 2013. Local municipalities will continue to pay the survivor benefits for these 7 claims regardless of the marital status of the surviving spouse.

REVENUE EXPLANATION

There is no anticipated direct material effect on governmental revenues as a result of this measure.

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| <u>Senate</u> | <u>Dual Referral Rules</u> | <u>House</u> |
| <input type="checkbox"/> 13.5.1 >= \$100,000 Annual Fiscal Cost {S & H} | | <input type="checkbox"/> 6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S} |
| <input type="checkbox"/> 13.5.2 >= \$500,000 Annual Tax or Fee Change {S & H} | | <input type="checkbox"/> 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S} |

Evan Brasseaux
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Staff Director