
DIGEST

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HB 18 Engrossed

2021 Regular Session

Riser

Abstract: Creates a permanent fund to pay group insurance premiums for retired sheriffs and deputy sheriffs in Franklin Parish and provides for the deposit of certain monies into the fund, including limitations on investments and withdrawal of funds.

Present law (R.S. 13:5554(S)) applicable to the sheriff's office of Franklin Parish provides that premium costs of group hospital, surgical, medical expense, and dental insurance shall be paid from the sheriff's general fund for any sheriff or deputy sheriff who has retired from the Franklin Parish Sheriff's Office and have either:

- (1) At least 24 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 and creates the Franklin Parish Retired Employees Insurance Fund (FREIF), to fund the payment by the Franklin Parish Sheriff's Office for the premium costs of insurance for retired sheriffs and deputy sheriffs as provided in present law.

Proposed law provides that the Sheriff of Franklin Parish may contribute to the FREIF at his discretion.

Proposed law provides that the sheriff shall invest at least 25% in fixed income investments into the FREIF, provided that a minimum of 25% of the fixed income portion is rated as investment grade by a nationally recognized rating agency.

Proposed 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the sheriff to withdraw for the purpose of paying the insurance premium costs, provided that no such earnings shall be withdrawn until the amount of principal and accumulated earnings in the FREIF is equal to the sum of \$1.5 million. Provides that if the deposits and earnings on investments falls below \$1.5 million, no earnings shall be withdrawn and any balance owed for the payment of insurance premium costs shall be paid in full from the sheriff's general fund.

Proposed law requires any financial audit by the sheriff's office to comply with all provisions of proposed law.

Proposed law requires the sheriff to establish a three-member investment advisory board consisting of three members as follows:

- (1) The sheriff or his designee.
- (2) One retired sheriff or retired deputy sheriff of the department, appointed by the sheriff, who shall serve a term determined by the sheriff.
- (3) One active deputy sheriff of the department, appointed by the sheriff, who shall serve a term determined by the sheriff.

Proposed law requires the board to meet within 30 days after appointment of members and provides for election of a chairperson at the first meeting of the board.

(Adds R.S. 13:5554.6)