

LEGISLATIVE FISCAL OFFICE
Fiscal Note



Fiscal Note On: **HB 31** HLS 22RS 276

Bill Text Version: **ORIGINAL**

Opp. Chamb. Action:

Proposed Amd.:

Sub. Bill For.:

REVISED

Date: April 22, 2022 11:29 AM	Author: TARVER, PHILLIP
Dept./Agy.: State retirement systems	Analyst: Tanesha Morgan
Subject: Supplemental benefit payments	

RETIREMENT/STATE SYSTEMS OR GF EX See Note Page 1 of 1
(Constitutional Amendment) Dedicates a certain amount of state nonrecurring revenue to state retirement systems for supplemental benefit payments

Proposed constitutional amendment requires that some nonrecurring revenue be paid to retirees, beneficiaries, and survivors receiving a benefit, from the four state retirement systems: La. State Employees' Retirement System, Teachers' Retirement System of La., La. School Employees' Retirement System, and the La. State Police Retirement System.

Proposed constitutional amendment provides that the amount to be used for such supplemental retirement benefits is the lesser of \$50 million or the balance of nonrecurring revenue after allocations are made for payments against retirement system liabilities and for the Budget Stabilization Fund.

Proposed constitutional amendment provides the retiree, beneficiary, or survivor must have been receiving a benefit by June 30 of the previous fiscal year in order to be eligible for the lump sum payment.

Provides for submission of the proposed amendment to the voters at the statewide election to be held November 8, 2022.

EXPENDITURES	2022-23	2023-24	2024-25	2025-26	2026-27	5 -YEAR TOTAL
State Gen. Fd.	\$0	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	\$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>	\$0
Annual Total	\$0					\$0

REVENUES	2022-23	2023-24	2024-25	2025-26	2026-27	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>	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

EXPENDITURE EXPLANATION

Application of a portion of nonrecurring revenue to make supplemental payments to beneficiaries of the four state retirement systems will result in fewer dollars available for remaining authorized purposes as provided in La. Const. Art. VII, § 10(2) such as the defeasance of bonds and funding capital outlay, coastal protection, and certain highway construction projects.

The Secretary of State budgets constitutional amendments for statewide elections as regular practice and any costs associated with this proposed constitutional amendment will be absorbed within the agency's budget.

REVENUE EXPLANATION

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

Senate
 13.5.1 >= \$100,000 Annual Fiscal Cost {S & H}
 13.5.2 >= \$500,000 Annual Tax or Fee Change {S & H}

House
 6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S}
 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}

Evan Brasseaux
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Interim Deputy Fiscal Officer