

LEGISLATIVE FISCAL OFFICE
Fiscal Note



Fiscal Note On: **SB 33** SLS 23RS 130
 Bill Text Version: **ENGROSSED**
 Opp. Chamb. Action: **w/ HSE COMM AMD**
 Proposed Amd.:
 Sub. Bill For.:

Date: June 5, 2023	11:58 AM	Author: WHITE, B
Dept./Agy.: Public Safety, Supplemental Pay Boards		
Subject: Increase Supplemental Pay by \$100 per Month		Analyst: Patrice Thomas

SUPPLEMENTAL PAY EG1 +\$28,546,248 GF EX See Note Page 1 of 2
 Increases the amount of supplemental pay for eligible law enforcement and fire service employees. (7/1/23)

Proposed law increases supplemental pay for certain eligible law enforcement officers and firefighters by \$100, from the current amount of \$500 to \$600 per month. Proposed law increases supplemental pay for every justice of the peace and constable for each justice of the peace court by \$20, from the current amount of \$100 to \$120 per month. Proposed law authorizes state supplemental pay of \$600 per month to eligible police officers employed at a Louisiana public postsecondary education institution who are P.O.S.T. certified and have completed one year of service. Present law limits the number of officers from the Tunica-Biloxi Tribe that are eligible for supplemental pay to 13. Proposed law removes the cap on eligible officers from the Tunica-Biloxi Tribe that can receive supplemental pay. Present law limits the number of officers from the Coushatta Tribe that are eligible for supplemental pay to eight. Proposed law increases the number of eligible officers for supplemental pay from 8 to 20 (an increase of 12). Proposed law directs the LA Legislative Auditor to audit the program and report finds by 2/01/2024. Proposed law effective July 1, 2023 subject to a specific appropriation of the legislature.

EXPENDITURES	2023-24	2024-25	2025-26	2026-27	2027-28	5 -YEAR TOTAL
State Gen. Fd.	\$28,546,248	\$28,396,248	\$28,396,248	\$28,396,248	\$28,396,248	\$142,131,240
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	INCREASE	INCREASE	INCREASE	INCREASE	INCREASE	
Annual Total						

REVENUES	2023-24	2024-25	2025-26	2026-27	2027-28	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

Proposed law will increase annual SGF expenditures in Other Requirements Schedule 20-966 - Supplemental Pay by \$26,932,320 to provide supplemental payments beginning in FY 24 as follows: (1) \$100 per month increase to existing eligible law enforcement officers and firefighters as well as \$20 per month increase to existing justices of the peace and constables; (2) increase the number of tribal police officers eligible for the \$600 per month payment; (3) add campus police officers to list of eligible law enforcement officers for the \$600 per month payment. Also, the proposed law will increase expenditures, assumed to be SGF, in the LA Legislative Auditor by \$150,000 (one-time) and within each of the university systems by \$1,465,128 to pay retirement benefits on supplemental pay. See the summary table below.

Existing Police, Deputy Sheriffs, and Firefighters	\$23,226,000
Existing Justices of the Peace and Constables	\$177,120
Increase Tribe Police Officers	\$100,800
New Campus Police Officers	<u>\$3,427,200</u>
Sub-Total (Schedule 20-966 Supplemental Pay)	\$26,931,120
Retirement (Schedule 19 - Higher Education)	<u>\$1,465,128</u>
Total Pay	\$28,396,248
Audit by LA Legislative Auditor (one-time cost)	<u>\$150,000</u>
Total	\$28,546,248

Existing Police Officers, Deputy Sheriffs, and Firefighters - \$23,226,000

Proposed law will increase annual SGF expenditures in Schedule 20-966 - Supplemental Pay by \$23.2 M to provide supplemental payments increase of \$100 per month to eligible firefighters, police officers, deputy sheriffs, certain tribal police, harbor police, and fireboat personnel beginning FY 24. The \$100 increase would bring the current supplemental payment amount for law enforcement officers from \$500 per month to \$600 per month (from \$6,000 per year to \$7,200 per year).

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REVENUE EXPLANATION

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

<u>Senate</u>	<u>Dual Referral Rules</u>	<u>House</u>
<input checked="" type="checkbox"/> 13.5.1 >= \$100,000 Annual Fiscal Cost {S & H}		<input checked="" 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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 Interim Deputy Fiscal Officer



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CONTINUED EXPLANATION from page one:

EXPENDITURE EXPLANATION Continued from Page 1

Currently, there are an average of 19,355 (5,650 firefighters, 5,405 municipal police offers, and 8,300 sheriff deputies receiving monthly supplemental pay for a total annual cost of \$116.1 M in FY 23. The proposed law requires an increase in supplemental pay beginning in FY 24 of \$23,226,000 SGF (\$139.4 M for \$600 per month - \$116.1 M for \$500 per month).

Existing Justices of the Peace and Constables - \$177,120

Proposed law will increase annual SGF expenditures in Other Requirements Schedule 20-966 - Supplemental Pay by \$177,120 to provide supplemental payments increase of \$20 per month to eligible justices of the peace and constables beginning FY 24. The \$20 increase would bring the current supplemental payment amount for justices of the peace and constables from \$100 per month to \$120 per month (from \$1,200 per year to \$1,440 per year).

Currently, there are an average of 738 justices of the peace and constables receiving monthly supplemental pay for a total annual cost of \$885,600 in FY 23. The proposed law requires an increase in supplemental pay beginning in FY 24 of \$177,120 SGF (\$1,062,720 for \$120 per month - \$885,600 for \$100 per month).

Increase Tribal Police Officers - \$100,800

Proposed law will increase annual SGF expenditures in Other Requirements Schedule 20-966 - Supplemental Pay by \$100,800 as a result of increasing the number of eligible tribal police officers in the Tunica-Biloxi Tribe of LA by two officers (\$14,400) and 12 officers in the Coushatta Tribe (\$86,400) beginning in FY 24.

In present law, only 13 police officers of the Tunica-Biloxi Tribe are authorized to receive monthly supplemental pay. The proposed law eliminates the cap of 13 police officers. Therefore, all eligible tribal police officers of the Tunica-Biloxi Tribe will receive supplemental pay of \$7,200 per year. During committee testimony, it was stated that there were an additional two tribal police officers that would be eligible bringing the total number of tribal police officers to 15. Based on that testimony, this fiscal note assumes only two additional officers of the Tunica-Biloxi Tribe would receive supplemental pay under this measure at an annual cost of \$14,400 (2 police officers x \$600 per month x 12 months). To the extent the Tunica-Biloxi Tribe has more than two tribal police officers are eligible to receive supplemental pay, the proposed law may result in additional supplemental payment beginning in FY 24.

Present law limits the number of tribal police officers from the Coushatta Tribe that are eligible for supplemental pay to eight (8), subject to the approval of the Sheriff of Allen Parish. The proposed law increases the number of eligible tribal police officers to receive supplemental pay from 8 officers to 20 officers, an increase of 12 officers. The fiscal note estimates supplemental payments for 12 additional Coushatta tribal police officers under this measure of \$86,400 annually (12 police officers x \$600 per month x 12 months).

New Campus Police Officers - \$4,892,328 (\$3,427,200 Supplemental Pay and \$1,465,128 University Systems)

Proposed law will increase annual SGF expenditures in Other Requirements Schedule 20-966 - Supplemental Pay by \$3,427,200 to provide supplemental payments of \$600 monthly to an additional 476 full-time law enforcement officers at all postsecondary educational institutions (476 police officers x \$500 per month x 12 months). In addition, the proposed law will increase expenditures by \$1,465,128 with four higher education systems annually as supplemental payments are included in the pensionable earnings used for the calculation of retirement benefits. Therefore, the proposed law will result in a total increase of \$4,892,328 SGF (\$3,427,200 supplemental pay + \$1,465,128 retirement benefits).

Table with 6 columns: Systems, Number Police Officers, Supplemental Annual Pay, Total Supplemental, Retirement Benefits, Total Cost. Rows include LA State University System, LA Community & Technical College System, Southern University System, University of LA System, and Total.

LA Legislative Auditor - \$150,000

The proposed law directs the LA Legislative Auditor (LLA) to examine, investigate, and audit the state's supplemental payment program and eligible recipients. Afterward, the LLA is required to make recommendations on modifications to the supplemental program in a report to the House Committee on Appropriations and the Senate Committee on Finance no later than February 1, 2024. Under present law, the LLA is responsible for conducting regularly scheduled performance audits on each executive branch department and assesses annual fees on all departments to fund audit services. LLA has reported needing \$150,000 for travel expenditures to examine and perform audits on local governments, sheriffs, and municipal police departments.

Local Governmental Entities - Increase

Proposed law will increase Local Funds expenditures by an indeterminable amount as state supplemental payments are included in the pensionable earnings used in the calculation of retirement benefits.

- Senate Dual Referral Rules: [X] 13.5.1 >= \$100,000 Annual Fiscal Cost {S & H}; [] 13.5.2 >= \$500,000 Annual Tax or Fee Change {S & H}
House: [X] 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}

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