



LEGISLATIVE FISCAL OFFICE
Fiscal Note

Fiscal Note On: **SB 31** SLS 24RS 198
 Bill Text Version: **ENGROSSED**
 Opp. Chamb. Action:
 Proposed Amd.:
 Sub. Bill For.:

Date: May 1, 2024	11:53 AM	Author: WHEAT
Dept./Agy.: Office of Risk Management		Analyst: Tamiko Stroud
Subject: Increases death payments to firemen		

PUBLIC EMPLOYEES EG +\$200,000 GF EX See Note Page 1 of 1
 Increases survivor benefits for dependent children of firemen and law enforcement officers. (8/1/24)

Present law provides \$250,000 in survivor benefits to the spouse or other legal survivor of a fireman or law enforcement officer in certain circumstances. In addition, present law provides \$25,000 in survivor benefits to the legal representative of the dependent child or children. Proposed law increases the amount paid for each dependent child from \$25,000 to \$50,000. Proposed law has an effective date of August 1, 2024.

EXPENDITURES	2024-25	2025-26	2026-27	2027-28	2028-29	5 -YEAR TOTAL
State Gen. Fd.	\$200,000	\$200,000	\$200,000	\$200,000	\$200,000	\$1,000,000
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	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total	\$200,000	\$200,000	\$200,000	\$200,000	\$200,000	\$1,000,000
REVENUES	2024-25	2025-26	2026-27	2027-28	2028-29	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	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

EXPENDITURE EXPLANATION

The proposed law is projected to increase expenditures for the Division of Administration (DOA), Office of Risk Management (ORM) by \$200,000 for FY 25 and in subsequent years. According to Section 1. R.S. 40:1665(C)(1) and 1665.2(C)(1), the state must provide the financial security of surviving spouses and dependent children of firemen when firemen suffer death as a result of any injury arising out of and in the course of the performance of their official duties as firemen.

Present law provides \$25,000 in survivor benefits for each dependent child to the duly appointed and qualified tutor or legal representative of each child. Proposed law increases the amount paid for each dependent child from \$25,000 to \$50,000. Payments shall be made by the state risk manager out of the Self-Insurance Fund.

Pursuant to R.S. 39:1533(A)(2), at the close of each fiscal year, the treasurer shall transfer funds from the Self-Insurance Fund to pay the \$50,000 in survivor benefits for each dependent child on behalf of the Law Enforcement Officers and Fireman’s Survivor Benefit Review Board. DOA has paid an average of eight (8) benefits payments for dependent children annually for the past three fiscal years (FY 21 through FY 23), for an average annual total spend of \$200,000 (\$25,000 x 8 benefits payments). DOA anticipates that the proposed legislation will lead to an annual increase of \$200,000 SGF as a result of the monetary benefit doubling.

The Office of Risk Management reports the existing fund balance of the Self-Insurance Fund will be utilized to mitigate any increase in expenditures as a result of this measure. The current balance of the Self-Insurance Fund for FY 24 is \$2,289,229.54 as of 4/29/24. Any remaining funds not used in FY 24 will carryover into FY 25 in addition to the \$5 M appropriation.

REVENUE EXPLANATION

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

Senate Dual Referral Rules
 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}


Patrice Thomas
Deputy Fiscal Officer