



OFFICE OF LEGISLATIVE AUDITOR Fiscal Note

Fiscal Note On: **HB 237** HLS 13RS 389

Bill Text Version: **ORIGINAL**

Opp. Chamb. Action:

Proposed Amd.:

Sub. Bill For.:

Date: April 8, 2013 9:47 AM	Author: JONES, SAM
Dept./Agy.: Local Employees/Municipalities	Analyst: Julie Magee
Subject: Social Security Coverage	

LOCAL EMPLOYEES/MUNIC OR NO IMPACT LF EX See Note Page 1 of 1
 Requires a parish or municipality to provide social security coverage for any of its officials or employees who are not in a public retirement system

Purpose of Bill: This measure requires the governing authority of a parish or municipality to provide social security coverage for each elective office and full-time parish or municipal employee that is not an active contributing member of a public retirement system, plan, or fund.

EXPENDITURES	2013-14	2014-15	2015-16	2016-17	2017-18	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

REVENUES	2013-14	2014-15	2015-16	2016-17	2017-18	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

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

An official with the Municipal Employees Retirement System of Louisiana and an official with the Municipal Police Employees Retirement System of Louisiana stated that this bill will have no fiscal impact on local government expenditures. According to the officials with the retirement systems, under current social security law, employers are required to pay social security tax for all employees who are not members of a public retirement system.

An official with the Parochial Employees Retirement System of Louisiana stated that in some parishes elected officials can choose between contributing to social security or deferred compensation. This is very rare since there are not many elected officials and it is up to the parish to allow the official to make the choice. The fiscal impact of this measure is not material.

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) >= \$500,000 Annual Fiscal Cost {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} |

Joy Irwin
 Director of Advisory Services