



OFFICE OF LEGISLATIVE AUDITOR Fiscal Note

Fiscal Note On: **HB 586** HLS 14RS 535

Bill Text Version: **ORIGINAL**

Opp. Chamb. Action:

Proposed Amd.:

Sub. Bill For.:

| | |
|---|----------------------------|
| Date: March 28, 2014 12:45 PM | Author: THIBAUT |
| Dept./Agy.: Various Parish Assessors | Analyst: Ryne Young |
| Subject: Retiree Insurance Eligibility Changes | |

ASSESSORS

OR SEE FISC NOTE LF EX

Page 1 of 1

Requires the assessor in certain parishes to pay the cost of certain insurance premiums for eligible retirees from the assessor's office.

Purpose of Bill: This bill changes insurance eligibility requirements for retirees at 51 parish assessors' offices. These eligibility changes place more restrictive age requirements on some assessors and employees (based on election, appointment, or hire date) in order to receive benefits. In addition, those assessors or employees who were elected, appointed, or hired on or after August 1, 2014 will also be required to work 12 years for the assessor's office from which the person retires.

This bill also mandates retiree insurance coverage for retired assessors or assessor employees in the parishes of East Carroll and Richland. This mandate applies to assessors or employees who were elected, appointed, or hired on or after August 1, 2014. The retirement provisions require the assessor or employee to retire with 20 years of service (with at least 12 years for the assessor's office from which the person retires and retire) and in accordance with R.S. 11:1421.

| EXPENDITURES | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 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 | SEE BELOW | SEE BELOW | SEE BELOW | SEE BELOW | SEE BELOW | |
| Annual Total | | | | | | |

| REVENUES | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 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

This bill may decrease overall governmental expenditures by an indeterminable amount. However, the impact of this bill on individual assessors' offices may vary.

Officials with the assessors' offices in the parishes of Acadia, Calcasieu, East Carroll, Jefferson, Richland, and Sabine indicated that this bill would not impact the expenditures of their respective offices within the next five years.

However, an official with the East Baton Rouge Parish Assessor's Office indicated that her assessor's office has one employee that could be eligible to retire in fiscal year 2018-19, but would not be eligible to retire until after fiscal year 2018-19 under the proposed requirements due to the more restrictive age requirements. This official indicated that the cost of retiree insurance for this employee would be about \$8,400 annually.

REVENUE EXPLANATION

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

Senate Dual Referral Rules House 6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S}

13.5.1 >= \$100,000 Annual Fiscal Cost {S&H} 6.8(F)(2) >= \$500,000 State Rev. Reduc. {H & S}

13.5.2 >= \$500,000 Annual Tax or Fee Change {S&H} 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}

Joy Irwin
Director of Advisory Services