

LEGISLATIVE FISCAL OFFICE
Fiscal Note



Fiscal Note On: **SB 411** SLS 14RS 60
 Bill Text Version: **ENGROSSED**
 Opp. Chamb. Action:
 Proposed Amd.:
 Sub. Bill For.:

Date: May 1, 2014	3:31 PM	Author: MORRELL
Dept./Agy.: Public Safety		Analyst: Matthew LaBruyere
Subject: Supplement Pay		

FUNDS/FUNDING EG +\$3,960,000 GF EX See Note Page 1 of 1
 Provides for state supplemental pay for certain EMS practitioners. (8/1//14)

Proposed law provides that in addition to the compensation paid by any municipality or parish to any EMS practitioner, every EMS practitioner employed full-time by any municipality or parish which employs one or more EMS practitioners who devotes his full working time to emergency medical services shall be paid by the state extra compensation in the amount of \$500 per month for each full-time EMS practitioner who has completed one year of service. Proposed law creates a board of review for eligibility of supplemental pay composed of three members, one of whom shall be the commissioner of administration; one of whom shall be a member of the Louisiana Municipal Association; and one of whom shall be a member of the Police Jury Association of Louisiana. Effective August 1, 2014.

A companion bill (SB 285) provides for a constitutional amendment to be placed on the ballot at the statewide election held on November 4, 2014.

EXPENDITURES	2014-15	2015-16	2016-17	2017-18	2018-19	5 -YEAR TOTAL
State Gen. Fd.	\$3,960,000	\$3,960,000	\$3,960,000	\$3,960,000	\$3,960,000	\$19,800,000
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	INCREASE	INCREASE	INCREASE	INCREASE	INCREASE	
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	<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

The proposed legislation will result in an increase in state general fund expenditures as a result of EMS practitioners receiving supplemental pay. Each eligible EMS practitioner would receive \$500 per month, which would result in a \$6,000 (\$500 per month x 12 months) annual cost. Currently, the number of full time EMS practitioners employed by parishes and municipalities that operate EMS services is 660. For illustrative purposes, if 660 EMS practitioners are eligible to receive supplemental pay, the cost would be \$3,960,000 (660 EMS practitioners x \$6,000) per year. The fiscal impact of this measure in FY 15 and subsequent fiscal years is dependent upon the number of individuals receiving supplemental pay.

Local governments will be responsible for providing the additional retirement and Medicare payments for the EMS practitioners receiving supplemental pay. This percentage ranges from 15%-20% depending upon the retirement system to which the individual is contributing.

The Department of Public Safety (DPS) indicates the proposed law may require approximately 120 hours of overtime for an IT Programmer Analyst III at an average cost of \$32 per hour (\$32 x 120 = \$3,840) plus associated Medicare expenses (\$3,840 x 1.45% = \$56), or a total of \$3,896 in personal services. The legislation will require coding changes to all accounting programs which handle supplemental pay. The Legislative Fiscal Office believes that any additional IT work associated with this legislation will be incremental in nature, and that the Department can potentially accomplish these tasks utilizing existing resources and budget authority. To the extent that numerous pieces of legislation are enacted that require additional programming efforts, the Department may require additional resources.

NOTE: Allowing EMS practitioners to receive state supplemental pay in the amount of \$500 per month will be protected within the constitution if voters approve a constitutional amendment during the November 4, 2014 statewide elections. SB 285 is the enabling legislation of the constitutional amendment.

REVENUE EXPLANATION

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

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| Senate | <u>Dual Referral Rules</u> | House | <input checked="" type="checkbox"/> 6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S} |
| <input checked="" type="checkbox"/> 13.5.1 >= \$100,000 Annual Fiscal Cost {S&H} | | | <input type="checkbox"/> 6.8(F)(2) >= \$500,000 State Rev. Reduc. {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} |

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