

**LEGISLATIVE FISCAL OFFICE**  
**Fiscal Note**



Fiscal Note On: **HB 677** HLS 18RS 795  
 Bill Text Version: **ORIGINAL**  
 Opp. Chamb. Action:  
 Proposed Amd.:  
 Sub. Bill For.:

|  |                             |
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| <b>Date:</b> March 28, 2018 1:24 PM  | <b>Author:</b> JACKSON      |
| <b>Dept./Agy.:</b> Public Defender Board                                     |                             |
| <b>Subject:</b> District defender's participation in parish health insurance | <b>Analyst:</b> Ryan Guidry |

PUBLIC EMPLOYEES OR INCREASE LF EX See Note Page 1 of 1  
 Provides public defenders the option to enter the parish government's health care system

Present law authorizes political subdivisions to contract with insurance companies to insure their employees and officials under policies covering hospitalization and to pay a portion of the premiums for such insurance.

Proposed law provides that for purposes of present law a district public defender, and his employees, are considered employees of the parish in which his office is located, and they are entitled to participate in any group health insurance program offered by the parish, including payment of premiums by the parish.

| <b>EXPENDITURES</b> | <b>2018-19</b> | <b>2019-20</b> | <b>2020-21</b> | <b>2021-22</b> | <b>2022-23</b> | <b>5 -YEAR TOTAL</b> |
|---------------------|----------------|----------------|----------------|----------------|----------------|----------------------|
| State Gen. Fd.      | SEE BELOW      | SEE BELOW      | SEE BELOW      | SEE BELOW      | SEE BELOW      |                      |
| Agy. Self-Gen.      | \$0            | \$0            | \$0            | \$0            | \$0            | <b>\$0</b>           |
| Ded./Other          | \$0            | \$0            | \$0            | \$0            | \$0            | <b>\$0</b>           |
| Federal Funds       | \$0            | \$0            | \$0            | \$0            | \$0            | <b>\$0</b>           |
| Local Funds         | INCREASE       | INCREASE       | INCREASE       | INCREASE       | INCREASE       |                      |
| <b>Annual Total</b> |                |                |                |                |                |                      |
| <b>REVENUES</b>     | <b>2018-19</b> | <b>2019-20</b> | <b>2020-21</b> | <b>2021-22</b> | <b>2022-23</b> | <b>5 -YEAR TOTAL</b> |
| State Gen. Fd.      | \$0            | \$0            | \$0            | \$0            | \$0            | <b>\$0</b>           |
| Agy. Self-Gen.      | \$0            | \$0            | \$0            | \$0            | \$0            | <b>\$0</b>           |
| Ded./Other          | \$0            | \$0            | \$0            | \$0            | \$0            | <b>\$0</b>           |
| Federal Funds       | \$0            | \$0            | \$0            | \$0            | \$0            | <b>\$0</b>           |
| Local Funds         | <u>\$0</u>     | <u>\$0</u>     | <u>\$0</u>     | <u>\$0</u>     | <u>\$0</u>     | <b>\$0</b>           |
| <b>Annual Total</b> | <b>\$0</b>     | <b>\$0</b>     | <b>\$0</b>     | <b>\$0</b>     | <b>\$0</b>     | <b>\$0</b>           |

**EXPENDITURE EXPLANATION**

Proposed law will likely result in an indeterminable increase in Local Funds expenditures for parish governments and will result in an indeterminable net expenditure impact for district public defender offices statewide.

The Louisiana Public Defender Board (LPDB) reports that 22 of the 42 districts currently offer some sort of employer-sponsored health insurance coverage, providing benefits to 441 individuals for approximately \$2.38 M. These 42 districts employ 550 individuals that work at least 30 hours per week, leaving 109 (550 - 441) that are not currently covered by an employee-sponsored health insurance plan. District public defender offices are funded by both the statutorily dedicated LA Public Defender Fund (via SGF) and local funds.

Proposed law provides that a district public defender and his employees will be considered employees of the parish in which the office is located and will be eligible to participate in any group health insurance program, including premium payments by the parish. Parishes offer a wide array of benefits for which specific data is not available, so a cost comparison between existing plans offered by district public defender offices and those offered by each parish is indeterminable. For those 22 districts that currently offer an employer-sponsored health insurance program, additional health insurance options may be available to employees, but the expenditure impact cannot be determined. To the extent that insurance benefits are made available in districts that do not currently offer employer-sponsored health insurance, expenditures will likely increase by an indeterminable amount for each employee that elects health insurance coverage.

To the extent that a parish in which a district public defenders office is domiciled pays any portion of the insurance premiums offered to employees, parish expenditures will increase by an indeterminable amount for each employee that elects benefits offered by the parish. For those 22 parishes that currently offer employer-sponsored health insurance programs, increases in parish expenditures may be offset by an indeterminable expenditure decrease in district defender offices for those employees that elect parish-sponsored benefits rather than the current employer-sponsored benefits.

**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}

*Evan Brasseaux*  
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**Staff Director**