

LEGISLATIVE FISCAL OFFICE
Fiscal Note



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

Date: May 18, 2018 9:45 AM	Author: JACKSON
Dept./Agy.: Public Defender Board	
Subject: District defender's participation in parish health insurance	Analyst: Ryan Guidry

PUBLIC EMPLOYEES EN SEE FISC NOTE 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, may participate in any group health insurance program offered to parish employees and officials, provides that the district public defender office is responsible for the employer portion of the premium unless paid by the parish governing authority; and authorizes the parish governing authority to pay public defender employee premiums.

EXPENDITURES	2018-19	2019-20	2020-21	2021-22	2022-23	5 -YEAR TOTAL
State Gen. Fd.	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	
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	2018-19	2019-20	2020-21	2021-22	2022-23	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

Proposed law may result in an indeterminable increase in Local Funds expenditures for parish governments that elect to pay any portion of the employer or employee share of the group health insurance premiums for public defenders 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 offered 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 may participate in any group health insurance program offered to parish employees or officials. District defender offices that elect to participate must pay the employer share of the group health insurance program unless a parish governing authority elects to pay the employer portion. 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 district defender offices that do not currently offer employer-sponsored health insurance elect to participate and must pay the employer share of the insurance premiums, expenditures will increase by an indeterminable amount for each employee that elects to participate in the parish group health insurance.

Proposed law provides a parish governing authority with the discretion to pay the employer and/or the employee portion of insurance premiums. To the extent that a parish governing authority elects to pay any portion of the employer share or employee share of the insurance premiums, 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}

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