

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



Fiscal Note On: **SB 261** SLS 18RS 441  
 Bill Text Version: **ENROLLED**  
 Opp. Chamb. Action:  
 Proposed Amd.:  
 Sub. Bill For.:

<b>Date:</b> May 22, 2018 7:18 AM	<b>Author:</b> ERDEY
<b>Dept./Agy.:</b> Office of Risk Management	<b>Analyst:</b> Ryan Guidry
<b>Subject:</b> Provide for certain insurance benefits	

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Provides for certain insurance benefits for firemen and law enforcement officers who suffer a catastrophic injury resulting in permanent and total disability caused by an individual with the specific intent to kill an officer while the fireman or officer is Present law provides that premiums, copayments, coinsurance, and deductibles for insurance in force through an employer at the time of a catastrophic event shall be paid by the state risk administrator out of the Self-Insurance Fund for a law enforcement officer or firefighter determined to be permanently and totally disabled as a result of catastrophic injury arising out of the performance of official duties.

Proposed law provides that if the officer no longer qualifies for premiums as provided in present law, then premiums shall be paid for insurance similar to that maintained by the officer through his employer at the time of catastrophic injury.

<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.	UNKNOWN	UNKNOWN	UNKNOWN	UNKNOWN	UNKNOWN	
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><u>\$0</u></b>
<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><u>\$0</u></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 have an unknown impact on the Self-Insurance Fund (via SGF).

Present law provides that premiums, copayments, coinsurance, and deductibles for any type of life, health, accident, accidental death and dismemberment, hospital, surgical, and medical expense insurance covering a firefighter or law enforcement officer and maintained through an employer at the time of a catastrophic event shall be paid by the state risk administrator out of the Self-Insurance Fund for an officer determined to be permanently and totally disabled as a result of catastrophic injury arising out of the performance of his official duties.

The Office of Risk Management (ORM) reports that one law enforcement officer currently qualifies under present law to have insurance premiums paid from the Self-Insurance Fund. Payment of the officer's insurance premiums, copayments, coinsurance, and deductibles will begin when he is moved from active to retired service status. To the extent that present law provides for the payment of the officer's insurance premiums, copayments, coinsurance, and deductibles that were covering him at the time of catastrophic injury, proposed law will have no impact on expenditures. Additionally, present law will provide the same benefit to prospective officers that are determined to be permanently and totally disabled as a result of catastrophic injury arising out of the performance of official duties.

Proposed law repeals present law provision that no benefit is payable if the firefighter or law enforcement officer qualifies for federal or state life, health, accident, accidental death and dismemberment, hospital, surgical or medical expense programs. Proposed law provides that if the injured officer no longer qualifies for the insurance that was covering him at the time of the catastrophic injury, then premiums for insurance similar to that covering the officer at the time of catastrophic injury will be paid out of the Self-Insurance Fund. Events or actions that may cause an officer to be disqualified from his existing insurance are unknown. Furthermore, the difference in cost between premiums for the employer provided insurance and similar insurance is unknown. To the extent that an officer was disqualified for the coverage that was maintained through his employer and obtained similar insurance for replacement, the expenditure impact to the Self-Insurance Fund is indeterminable.

**EXPENDITURE IMPACT CONTINUED ON PAGE 2**

**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*  
**Evan Brasseaux**  
**Staff Director**

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**CONTINUED EXPLANATION from page one:**

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**EXPENDITURE IMPACT CONTINUED FROM PAGE 1**

For reference, the majority of the revenues in the Self-Insurance Fund are derived from premiums paid by state agencies for the state's self-insurance program. While the Self-Insurance Fund is authorized to make payments outlined in both present and proposed law, revenues derived from self-insurance premiums cannot be used directly for this purpose. A SGF deposit into the Self-Insurance Fund is required to make the payments for the premiums, copayments, coinsurance, and deductibles prescribed in both present and proposed law.

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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