

2022 Regular Session

HOUSE BILL NO. 6

BY REPRESENTATIVE ECHOLS

INSURANCE/GROUP-SHERIFFS: Creates an Employee Insurance Fund for the Ouachita Parish Sheriff's Office

1 AN ACT

2 To enact R.S. 13:5554.8, relative to the payment of group insurance premiums for retired
3 sheriffs and deputy sheriffs in Ouachita Parish; to create a permanent fund; to require
4 the depositing of certain monies into the fund; to provide for investment of monies
5 in the fund; to authorize the withdrawal of earnings; to provide for limitations on
6 appropriations from the fund; to provide for audits of the fund; to provide for the
7 membership and election on the investment advisory board; and to provide for
8 related matters.

9 Be it enacted by the Legislature of Louisiana:

10 Section 1. R.S. 13:5554.8 is hereby enacted to read as follows:

11 §5554.8. Ouachita Parish; payment of group insurance premiums; retired sheriffs
12 and deputy sheriffs; creation of fund

13 A. There is hereby created the Ouachita Parish Sheriff Retired Employees
14 Insurance Fund, hereinafter referred to as the "OREIF", to help offset the payment
15 by the sheriff's office of Ouachita Parish of the premium costs for eligible retired
16 sheriffs and retired deputy sheriffs as provided in R.S. 13:5554(I).

17 B. The sheriff of Ouachita Parish may contribute to the OREIF at his
18 discretion.

19 C. Upon recommendations of the board established in Subsection F of this
20 Section, the sheriff of Ouachita Parish shall invest at least twenty-five percent in

1 fixed income investments into the OREIF, provided that a minimum of twenty-five
2 percent of the fixed income portion is rated as investment grade by a nationally
3 recognized rating agency.

4 D.(1) The earnings realized on the monies invested pursuant to Subsection
5 C of this Section shall be available for the sheriff to withdraw for the sole purpose
6 of paying the insurance premium costs provided in R.S. 13:5554(I) for retired
7 sheriffs and retired deputy sheriffs of Ouachita Parish, legal representation costs for
8 the OREIF board, or both, provided that no such earnings shall be withdrawn until
9 the amount of principal and accumulated earnings in the OREIF are equal to the sum
10 of five million dollars.

11 (2) In the event that the total amount of monies derived from deposits
12 provided in Subsection B of this Section and investment earnings fall below the sum
13 of five million dollars, no earnings shall be withdrawn, and any balance owed for the
14 payment of insurance premium costs as required by R.S.13:5554(I) or legal
15 representation costs for the OREIF Board shall be paid in full from the sheriff's
16 general fund.

17 E. Any financial audit conducted of the sheriff's office of Ouachita Parish
18 shall specifically address compliance with the provisions of this Section.

19 F.(1) To provide recommendations concerning the investment of funds as
20 provided in Subsection C of this Section, the sheriff shall establish an investment
21 advisory board consisting of three members as follows:

22 (a) The sheriff or his designee.

23 (b) One retired sheriff or retired deputy sheriff of the department, appointed
24 by the sheriff, who shall serve a term determined by the sheriff.

25 (c) One active deputy sheriff of the department, appointed by the sheriff,
26 who shall serve a term determined by the sheriff.

27 (2) The members of the board shall elect a chairperson at its first board
28 meeting, which shall be held within thirty days after the appointment of board
29 members.

DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

HB 6 Original

2022 Regular Session

Echols

Abstract: Creates a permanent fund to pay group insurance premiums for retired sheriffs and deputy sheriffs in Ouachita Parish and provides for the deposit of certain monies into the fund, including limitations on investments and withdrawal of funds.

Present law (R.S. 13:5554(I)) applicable to the sheriff's office of Ouachita Parish provides that premium costs of group hospital, surgical, and medical expense shall be paid from the sheriff's general fund for any sheriff or deputy sheriff who has retired from the Ouachita Parish Sheriff's Office and have either:

- (1) At least 15 years of service and have reached the age of 55.
- (2) At least 20 years of service at any age.

Proposed law retains present law and creates the Ouachita Parish Retired Employees Insurance Fund (OREIF), to fund the payment by the Ouachita Parish Sheriff's Office for the premium costs of insurance for retired sheriffs and deputy sheriffs as provided in present law.

Proposed law provides that the sheriff of Ouachita Parish may contribute to the OREIF at his discretion.

Proposed law provides that the sheriff shall invest at least 25% in fixed income investments into the OREIF, provided that a minimum of 25% of the fixed income portion is rated as investment grade by a nationally recognized rating agency.

Proposed law provides that earnings realized from investments shall be available for the sheriff to withdraw for the purpose of paying the insurance premium costs, provided that no such earnings shall be withdrawn until the amount of principal and accumulated earnings in the OREIF is equal to the sum of \$5 million. Provides that if the deposits and earnings on investments falls below \$5 million, no earnings shall be withdrawn and any balance owed for the payment of insurance premium costs shall be paid in full from the sheriff's general fund.

Proposed law requires any financial audit by the sheriff's office to comply with all provisions of proposed law.

Proposed law requires the sheriff to establish a three-member investment advisory board consisting of three members as follows:

- (1) The sheriff or his designee.
- (2) One retired sheriff or retired deputy sheriff of the department, appointed by the sheriff, who shall serve a term determined by the sheriff.
- (3) One active deputy sheriff of the department, appointed by the sheriff, who shall serve a term determined by the sheriff.

Proposed law requires the board to meet within 30 days after appointment of members and provides for election of a chairperson at the first meeting of the board.

(Adds R.S. 13:5554.8)