



**OFFICE OF LEGISLATIVE AUDITOR
Fiscal Note**

Fiscal Note On: **SB 36** SLS 23RS 42

Bill Text Version: **ENGROSSED**

Opp. Chamb. Action:

Proposed Amd.:

Sub. Bill For.:

Date: April 19, 2023	4:21 PM	Author: PRICE
Dept./Agy.: Ascension Parish Sheriff's Office		Analyst: Jodie Debetaz
Subject: Ascension Parish Retired Employees Insurance Fund		

SHERIFFS

EG +\$123,000 LF RV See Note

Page 1 of 1

Provides for funding of certain insurance costs for retirees of the Ascension Parish Sheriff's Office. (8/1/23)

Purpose: This bill creates the Ascension Parish Retired Employees Insurance Fund (AREIF) to fund the premium costs for eligible retired sheriffs and retired deputy sheriffs. The AREIF will be funded by the Ascension Parish Sheriff's Office (Sheriff) using at least 1% of the tax revenue received annually that is authorized by the Ascension Parish Law Enforcement Subdistrict No. 1 general sales and use tax ordinance or any other moneys that the Sheriff may contribute. This bill also outlines investment requirements, and creates a five member board to provide investment oversight and recommendations.

EXPENDITURES	2023-24	2024-25	2025-26	2026-27	2027-28	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

REVENUES	2023-24	2024-25	2025-26	2026-27	2027-28	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>\$100,000</u>	<u>\$106,000</u>	<u>\$111,000</u>	<u>\$117,000</u>	<u>\$123,000</u>	\$557,000
Annual Total	\$100,000	\$106,000	\$111,000	\$117,000	\$123,000	\$557,000

EXPENDITURE EXPLANATION

This measure is not expected to increase local governmental expenditures for the Ascension Parish Sheriff's Office.

An official with the Ascension Parish Sheriff's Office (Sheriff) indicated that costs for retiree insurance are not expected to change due to this bill because the Sheriff currently pays for retiree insurance. In addition, no additional audit costs would be incurred, as the AREIF fund and board will be audited through routine audits of the Sheriff. Also, the board serves without compensation.

REVENUE EXPLANATION

This measure may increase local government revenue for the Ascension Parish Sheriff's Office by \$100,000 starting in fiscal year 2024 and increasing to \$123,000 by fiscal year 2028.

An official with the Ascension Parish Sheriff's Office (Sheriff) indicated that the Sheriff will make an initial deposit of \$5 million dollars from surplus general funds into the AREIF and a \$150,000 deposit of tax revenue annually thereafter. This money, which otherwise would have earned 0.25% in interest annually in an interest bearing checking account, will be invested and is expected to grow at 2.25% annually (an increase of 2% in the annual rate of return). This increase in the rate of return is expected to generate approximately \$100,000 in additional annual investment revenue starting in fiscal year 2024 and will grow to approximately \$123,000 in additional annual revenue by fiscal year 2028.

Senate

Dual Referral Rules

House

13.5.1 >= \$100,000 Annual Fiscal Cost {S & H}

6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S}

13.5.2 >= \$500,000 Annual Tax or Fee Change {S & H}

6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}

**Steven Kraemer
Senior Advisor II**