

2024 Regular Session

HOUSE BILL NO. 746

BY REPRESENTATIVE MCMAHEN

INSURANCE/GROUP-SHERIFFS: Provides relative to the Bossier Parish Retired Employees Insurance Fund

1 AN ACT

2 To amend and reenact R.S. 13:5554.1(B)(introductory paragraph), (C)(2), (D), and (E),
3 relative to the Bossier Parish Retired Employees Insurance Fund; to provide relative
4 to eligible retired sheriffs and retired deputy sheriffs; to increase the total amount of
5 principal and earnings in the Bossier Parish Retired Employees Insurance Fund; to
6 provide relative to limitations on fixed income investments; to provide relative to
7 limitations on withdrawal and appropriation of monies; and to provide for related
8 matters.

9 Be it enacted by the Legislature of Louisiana:

10 Section 1. R.S. 13:5554.1(B)(introductory paragraph), (C)(2), (D), and (E) are
11 hereby amended and reenacted to read as follows:

12 §5554.1. Bossier Parish; payment of group insurance premiums; retired sheriffs and
13 deputy sheriffs; creation of fund

14 * * *

15 B. The following monies shall be deposited into the BREIF until the total
16 amount of the monies including principal and earnings in the BREIF equals the sum
17 of ~~ten~~ fifteen million dollars:

18 * * *

1 C. Upon recommendation of the board established in Subsection G of this
2 Section, the sheriff of Bossier Parish shall invest the monies in the BREIF as
3 follows:

4 * * *

5 (2) At least twenty-five percent in fixed income investments, provided that
6 a minimum of ~~twenty-five~~ seventy-five percent of the fixed income portion is rated
7 as investment grade by a nationally recognized rating agency.

8 D. The earnings realized on the monies invested pursuant to Subsection C
9 of this Section shall be available for the sheriff to withdraw for the sole purpose of
10 paying the insurance premium costs provided in R.S. 13:5554(G) for retired sheriffs
11 and retired deputy sheriffs of Bossier Parish, legal representation costs for the BREIF
12 Board, or both, provided that no such earnings shall be withdrawn until the amount
13 of principal and accumulated earnings in the BREIF is equal to the sum of ~~ten~~ fifteen
14 million dollars. In the event that the total amount of monies derived from deposits
15 provided in Subsection B of this Section and investment earnings fall below the sum
16 of ~~ten~~ fifteen million dollars, no earnings shall be withdrawn, and any balance owed
17 for the payment of insurance premium costs as required by R.S. 13:5554(G) or legal
18 representation costs for the BREIF Board shall be paid in full from the sheriff's
19 general fund.

20 E. The monies deposited pursuant to Subsection B of this Section and the
21 accumulated earnings up to a total of ~~ten~~ fifteen million dollars shall not be
22 appropriated and shall only be used for making ~~income-producing~~ investments as
23 provided in this Section.

24 * * *

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 746 Original

2024 Regular Session

McMahan

Abstract: Provides relative to the depositing of certain monies into the Bossier Parish Retired Employees Insurance Fund (BREIF), including limitations on investments and withdrawal of funds.

Present law creates the BREIF, to fund payment by the Bossier Parish sheriff's office for the premium costs of insurance for retired sheriffs and deputy sheriffs.

Proposed law increases the total amount of monies in the BREIF from \$10 million to \$15 million, including principal and earnings, that can be used to pay insurance premium costs.

Present law limits the percentage of monies in the BREIF in fixed income investments to 25%, provided that a minimum of 25% of the fixed income portion is rated as investment grade by a nationally recognized rating agency.

Proposed law retains present law, but provides that a minimum of 75% of the fixed income portion is rated as investment grade by a nationally recognized rating agency.

Present 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 BREIF is equal to the sum of \$10 million. Provides that if the deposits and earnings on investments falls below \$10 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 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 BREIF is equal to the sum of \$15 million. Provides that if the deposits and earnings on investments falls below \$15 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.

Present law provides that monies in the BREIF and the accumulated earnings up to a total of \$10 million shall not be appropriated and shall only be used for making income producing investments.

Proposed law provides that monies in the BREIF and the accumulated earnings up to a total of \$15 million shall not be appropriated and shall only be used for making investments.

(Amends R.S. 13:5554.1(B)(intro. para.), (C)(2), (D), and (E))