

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



Fiscal Note On: **SB 229** SLS 11RS 464  
 Bill Text Version: **ENGROSSED**  
 Opp. Chamb. Action:  
 Proposed Amd.: **w/ PROP SEN COMM AMD**  
 Sub. Bill For.:

<b>Date:</b> June 11, 2011	8:05 AM	<b>Author:</b> MARIONNEAUX
<b>Dept./Agy.:</b>		<b>Analyst:</b> Travis McIlwain
<b>Subject:</b> Payment to Surviving Spouse & Children		

SHERIFFS EG +\$575,000 SG EX See Note Page 1 of 1  
 Provides for additional pay for certain law enforcement officers. (8/15/11)

Proposed legislation includes all state employees conducting investigations, serving subpoenas, or collecting evidence concerning the affairs of a person upon a reasonable belief that the person has engaged in, or is engaging in, an act or practice that violates state law. Current law (R.S. 33:2201) provides for the financial security of surviving spouses and dependent children of law enforcement officers where such officers suffer death as a result of any injury arising out of and in the course of the performance of his official duties as such officer. The proposed bill would apply to eligible state employees on and after January 1, 2011. Effective upon governor's signature.

<b>EXPENDITURES</b>	<b>2011-12</b>	<b>2012-13</b>	<b>2013-14</b>	<b>2014-15</b>	<b>2015-16</b>	<b>5 -YEAR TOTAL</b>
State Gen. Fd.	\$0	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	<b>\$0</b>
Agy. Self-Gen.	\$575,000	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	<b>\$575,000</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>\$0</b>
<b>Annual Total</b>	<b>\$575,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$575,000</b>

<b>REVENUES</b>	<b>2011-12</b>	<b>2012-13</b>	<b>2013-14</b>	<b>2014-15</b>	<b>2015-16</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>\$0</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**

The proposed legislation will increase state expenditures in the minimum amount of \$575,000 in FY 12 due to an additional class of state employees who will be eligible for death benefits for the surviving spouse and eligible dependent children. On June 7, 2011, two Insurance Specialists were murdered while collecting case information and the eligibility period for this new group of state employees begins on and after January 1, 2011.

The two Department of Insurance (DOI) employees each had a spouse and 3 eligible child dependents between them. Per statute (R.S. 33:2201(C)(1.)), the death payment is \$250,000 paid to the surviving spouse and \$25,000 per dependent child, which would equate to \$575,000 of benefits to be paid.

Per statute, the death benefit is to be paid by the Office of Risk Management (ORM) from the Self-Insurance Fund. The portion paid for the death benefits is SGF deposited into the fund. According to the Office of Risk Management, there is approximately \$2.95 million budgeted within the current version of HB 1 for death benefits. The approximate timeframe for paperwork completion is approximately 6 to 9 months. Thus, the benefits will be paid in FY 12.

The exact number of state employees that would now potentially be eligible for this benefit is indeterminable. However, those state employees who conduct investigations, serve subpoenas or collect evidence, and are killed in the line of duty would now be eligible for survivor benefits.

To the extent there are other state employee families that might be eligible in subsequent fiscal years and the ORM Self-Insurance Fund has insufficient funds to cover the costs, state general fund may be needed.

**REVENUE EXPLANATION**

There is no anticipated direct material effect on governmental revenues as a result of this measure.

<u>Senate</u>	<u>Dual Referral Rules</u>	<u>House</u>	
<input checked="" type="checkbox"/> 13.5.1 >= \$100,000 Annual Fiscal Cost {S&H}		<input checked="" type="checkbox"/> 6.8(F)1 >= \$500,000 Annual Fiscal Cost {S}	<i>Evan Brasseaux</i>
		<input checked="" type="checkbox"/> 6.8(F)2 >= \$100,000 Annual SGF Cost {H&S}	
<input type="checkbox"/> 13.5.2 >= \$500,000 Annual Tax or Fee Change {S&H}		<input type="checkbox"/> 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}	<b>Evan Brasseaux</b> Staff Director