



OFFICE OF LEGISLATIVE AUDITOR
Fiscal Note

Fiscal Note On: HB 195 HLS 13RS 751
Bill Text Version: REENGROSSED
Opp. Chamb. Action: w/ SEN COMM AMD
Proposed Amd.:
Sub. Bill For.:

Date: May 20, 2013 4:12 PM Author: CHANEY
Dept./Agy.: Acadia, Richland and St. Bernard Sheriff's Offices
Subject: Insurance premiums for retired sheriffs Analyst: Glenda Leblanc

INSURANCE/GROUP-SHERIFFS RE1 SEE FISC NOTE LF EX Page 1 of 2

Provides for payment of insurance premiums for retired sheriffs and deputy sheriffs from the Acadia Parish Sheriff's Office, Richland Parish Sheriff's Office and St. Bernard Parish Sheriff's Office.

Purpose of the Bill: This measure changes group service requirements and premium percentages for retiree insurance benefits paid by the Acadia, Richland and St. Bernard Parish Sheriff's Offices.

Table with columns: EXPENDITURES, REVENUES, 2013-14, 2014-15, 2015-16, 2016-17, 2017-18, 5-YEAR TOTAL. Rows include State Gen. Fd., Agy. Self-Gen., Ded./Other, Federal Funds, Local Funds, and Annual Total.

EXPENDITURE EXPLANATION

This measure may decrease expenditures by an indeterminable amount.

Acadia Parish Sheriff: This bill changes premium coverage for individuals retiring on or after July 1, 2013 to: (a) 50% premium cost for individuals that have attained the age of 55 years, with 20 or more years of full-time creditable service with the Acadia Parish Sheriff's Office; (b) 100% with at least 30 years of service, 20 years of with the Acadia Sheriff's Office, regardless of age.

An official with the Acadia Parish Sheriff's Office indicated that any decrease to expenditures will be nominal or none at all for the next five years. However, it will result in decrease in future years.

Richland Parish Sheriff's Office: This bill changes premium coverage for individuals retiring on or after August 31, 2013 to: (a) 50% premium cost for individuals that have attained the age 55 years, with 25 years of total service with Richland Parish Sheriff's Office; (b) 100% with at least 30 years of service, regardless of age.

An official with the Richland Parish Sheriff's Office indicated that expenditures for retiree group health insurance may be reduced by approximately \$1,570 beginning in 2013-14, increasing to approximately \$69,505 by 2017-18. Based on the information provided, this measure may reduce retirement insurance benefits for three potential retirees beginning in 2013-14 and increasing to twelve in 2017-18.

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 House
13.5.1 >= \$100,000 Annual Fiscal Cost {S&H} 6.8(F) >= \$500,000 Annual Fiscal Cost {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}

Joy Irwin
Director of Advisory Services



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Table with 2 columns: Information (Date, Dept./Agy., Subject) and Author/Analyst (Author: CHANEY, Analyst: Glenda Leblanc)

CONTINUED EXPLANATION from page one:

St. Bernard Parish Sheriff's Office: This bill changes premium coverage for individuals retiring on or after July 1, 2013 to (a) 50% premium cost for individuals that have attained the age 55 years, with 20 or more years of full-time creditable service with St. Bernard Parish Sheriff Office; (b) 75% premium cost for individuals that have attained the age 55 years, with 25 or more years of full-time creditable service with St. Bernard Parish Sheriff Office; (c) 100% with at least 30 years of full-time services of with the St. Bernard Parish Sheriff's Office, regardless of age. Any sheriff or deputy sheriff who has met the prior eligibility requirements on or before June 30, 2013 may retire at anytime with the benefits under the old plan.

An official with the St. Bernard Parish Sheriff's Office indicated that this bill may result in a decrease in expenditures because of the following: 1) length of service years to become eligible has increased, and 2) the percentages of premium cost paid has been reduced.

- Senate Dual Referral Rules House
13.5.1 >= \$100,000 Annual Fiscal Cost {S&H} 6.8(F) >= \$500,000 Annual Fiscal Cost {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}

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