



**OFFICE OF LEGISLATIVE AUDITOR
Fiscal Note**

Fiscal Note On: **HB 221** HLS 14RS 888
 Bill Text Version: **ENROLLED**
 Opp. Chamb. Action:
 Proposed Amd.:
 Sub. Bill For.:

Date: May 28, 2014 5:02 PM	Author: THIBAUT
Dept./Agy.: West Baton Rouge Parish Sheriff's Office	Analyst: Glenda Leblanc
Subject: Group Insurance for Retirees	

SHERIFFS EN +\$129,853 LF EX See Note Page 1 of 1
 Provides relative to payment of group insurance premiums for retired sheriffs and deputy sheriffs of the West Baton Rouge Sheriff's Office

Purpose of Bill: This measure changes group service requirements for retiree insurance paid by the West Baton Rouge Parish Sheriff's Office for any retired sheriff or deputy sheriff hired before June 30, 2008. The retiree insurance coverage includes 100% of premium costs of group hospital, surgical, medical expenses, dental, and the first \$10,000 of life insurance. The sheriff's general fund would now also cover these costs for retirees with at least 12 years of service with WBRPSO, hired before June 30, 2008, and at least 55 years of age. Provisions will remain the same for any employees hired on or after July 1, 2008.

Currently, R.S. 13:5554(G)(1) provides for payment by the sheriff's general fund of 100% of premiums for retiree insurance coverage if the sheriff or deputy sheriff retires after 15 years of service at age 55 or after 30 years of service at any age.

EXPENDITURES	2014-15	2015-16	2016-17	2017-18	2018-19	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	\$85,671	\$109,301	\$115,860	\$79,417	\$129,853	\$520,102
Annual Total	\$85,671	\$109,301	\$115,860	\$79,417	\$129,853	\$520,102

REVENUES	2014-15	2015-16	2016-17	2017-18	2018-19	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	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

EXPENDITURE EXPLANATION

This measure may increase expenditures for the West Baton Rouge Parish Sheriff's Office by approximately \$85,671 starting in fiscal year 2015 and increasing to approximately \$129,853 by fiscal year 2019.

According to an official with the West Baton Rouge Parish Sheriff's Office, the proposed measure may increase the expenditures of the sheriff's office by approximately \$85,671 starting in 2014, increasing to approximately \$129,853 by 2019. This increase includes retirees and current employees that would become eligible if they would retire. The estimate assumes that current employees would retire when they are eligible for this benefit. The estimate also recalculates in the year they would have qualified to receive that benefit under the current law and the expenditure is reduced. There are four current retirees that may be eligible for health insurance under this proposed measure which would cost \$34,271 in 2014-2015 and increase afterwards based on a 6% increase of the cost of insurance.

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 type="checkbox"/> 6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S} |
| <input type="checkbox"/> 13.5.1 >= \$100,000 Annual Fiscal Cost {S&H} | | | <input type="checkbox"/> 6.8(F)(2) >= \$500,000 State Rev. Reduc. {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} |

Joy Irwin
Director of Advisory Services