



OFFICE OF LEGISLATIVE AUDITOR

Fiscal Note

Fiscal Note On: HB 34 HLS 09RS 554
Bill Text Version: ORIGINAL
Opp. Chamb. Action:
Proposed Amd.:
Sub. Bill For.:

Date: April 24, 2009 8:44 AM Author: FANNIN
Dept./Agy.: Insurance/Group-Sheriffs Analyst: Reginald Tucker
Subject: Retiree health insurance premium - Bienville

INSURANCE/GROUP-SHERIFFS OR NO IMPACT LF See Note Page 1 of 1
Provides for payment of group insurance for retired sheriffs and deputy sheriffs of Bienville Parish

Purpose of Bill: This measure provides that the Bienville Parish Sheriff will pay out of the sheriff's general fund the premium costs of group insurance for any retired sheriff and retired deputy sheriff hired after January 1, 2009 and who subsequently retires from the Bienville Parish Sheriff's Office. The percentage of premium costs paid by the sheriff is based on years of service:

- 30 years service - 100%
25 years service - 75%
20 years service - 50%

Table with 7 columns: EXPENDITURES, 2009-10, 2010-11, 2011-12, 2012-13, 2013-14, 5-YEAR TOTAL. Rows include State Gen. Fd., Agy. Self-Gen., Ded./Other, Federal Funds, Local Funds, and Annual Total.

Table with 7 columns: REVENUES, 2009-10, 2010-11, 2011-12, 2012-13, 2013-14, 5-YEAR TOTAL. Rows include State Gen. Fd., Agy. Self-Gen., Ded./Other, Federal Funds, Local Funds, and Annual Total.

EXPENDITURE EXPLANATION

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

An official with the Bienville Parish Sheriff's Department indicated that there would be no fiscal impact on expenditures as a direct result of House Bill 34 until the year 2029. In 2029, premium costs of group insurance (paid by the Bienville Parish Sheriff's Department) for any retired sheriff or deputy sheriff with 20 to 24 years of service will be reduced by 50%. In 2034, premium costs of group insurance (paid by the Bienville Parish Sheriff's Department) for any retired sheriff or deputy sheriff with 25 to 29 years of service will be reduced by 25%.

As written, this bill could be interpreted to apply to all sheriffs and deputy sheriffs that are covered by the plan after January 1, 2009, rather than those hired after January 1, 2009. If so, the reduction to premium costs for the sheriff's office could occur as early as January 2, 2009.

REVENUE EXPLANATION

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

Senate Dual Referral Rules
[ ] 13.5.1 >= \$500,000 Annual Fiscal Cost
[ ] 13.5.2 >= \$500,000 Annual Tax or Fee Change

House
[ ] 6.8(F) >= \$500,000 Annual Fiscal Cost
[ ] 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease

Joy Irwin
Director of Advisory Services