



OFFICE OF LEGISLATIVE AUDITOR
Fiscal Note

Fiscal Note On: HB 1263 HLS 14RS 2829
Bill Text Version: ENROLLED
Opp. Chamb. Action:
Proposed Amd.:
Sub. Bill For.: HB 47

Table with metadata: Date: May 15, 2014 3:52 PM; Author: BURNS, HENRY; Dept./Agy.: Bossier Parish Sheriff's Office; Subject: Group Insurance for Retirees; Analyst: Glenda Leblanc

INSURANCE/GROUP-SHERIFFS EN SEE FISC NOTE LF EX See Note Page 1 of 1
Provides relative to the Bossier Parish Retired Employees Insurance Fund

Purpose of Bill: This measure changes group service requirements for retiree insurance benefits paid by the Bossier Parish Sheriff's Office (BPSO). Employees hired before September 1, 2010 will be accounted for by the provisions of R.S. 13:5554 (G)(1). For employees hired between September 1, 2010 and July 1, 2014, BPSO would pay (1) 100% of the premium coverage with 30 years of service or more with BPSO at any age; or (2) 50% with 20 years of service and age 55. For employees hired after July 1, 2014 with 10 or more years of service with BPSO, BPSO would pay (1) 100% of the premium coverage of 30 years of service and age 55; or (2) 50% of the premium cost of 20 years of service and age 60. In addition, a minimum of 25% of fixed income portion of investments must be rated as investment grade by a nationally recognized rating agency. Also, the investment advisory board shall now be a board of trustees that is charged with providing oversight, control, and general management of the affairs of the fund and the investments.

Table with 7 columns: EXPENDITURES, 2014-15, 2015-16, 2016-17, 2017-18, 2018-19, 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, 2014-15, 2015-16, 2016-17, 2017-18, 2018-19, 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 within the next five years.

According to an official with the Bossier Parish Sheriff's Office, none of the employees in the groups affected by this measure (hired between September 1, 2010 and July 1, 2014 and hired on or after July 1, 2014) will be eligible to receive retiree insurance benefits within the next five years, and thus will have no impact on these expenditures. Current annual retiree insurance costs are \$10,093, so expenditures could increase or decrease under the new provision depending on the employee's hire date, the years of service and the employee's age when they retire.

The language change relevant to the investment advisory board is merely technical in nature and thus has no impact on expenditures.

REVENUE EXPLANATION

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

The language change relevant to the investment advisory board is merely technical in nature and thus has no impact on revenues.

- Senate Dual Referral Rules House
13.5.1 >= \$100,000 Annual Fiscal Cost {S&H}
13.5.2 >= \$500,000 Annual Tax or Fee Change {S&H}
6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S}
6.8(F)(2) >= \$500,000 State Rev. Reduc. {H & S}
6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}

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