

LEGISLATIVE FISCAL OFFICE
Fiscal Note



Fiscal Note On: **HB 563** HLS 23RS 462
 Bill Text Version: **ORIGINAL**
 Opp. Chamb. Action:
 Proposed Amd.:
 Sub. Bill For.:

Date: April 21, 2023 11:39 AM	Author: SCHEXNAYDER
Dept./Agy.: Public Safety, Local Law Enforcement	
Subject: Law Enforcement Recruitment Incentive Fund	Analyst: Patrice Thomas

FUNDS/FUNDING OR INCREASE SD EX See Note Page 1 of 1
 Creates a law enforcement recruitment incentive fund

Proposed law creates the Law Enforcement Recruitment Incentive Program and the Law Enforcement Recruitment Incentive Fund, a special treasury fund. Proposed law provides the program and the fund shall provide a one-time incentive payment of \$5,000 to eligible newly employed law enforcement officers within sheriff's offices, municipal police departments, and State Police. Proposed law provides that officers shall reimburse the state treasurer if they do not remain employed for two (2) years. Proposed law requires incentive payments shall be submitted by the Deputy Sheriff's Supplemental Pay Board, the Supplemental Pay Board for Review for Municipal Police Officers for municipal police officers, and the State Police Commission for state troopers. Proposed law sunsets on 7/01/2025 and all remaining funds in the Law Enforcement Recruitment Incentive Fund shall be transferred to the state general fund.

EXPENDITURES	2023-24	2024-25	2025-26	2026-27	2027-28	5 -YEAR TOTAL
State Gen. Fd.	SEE BELOW	SEE BELOW	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$80,450	\$78,000	SEE BELOW	SEE BELOW	\$0	\$158,450
Ded./Other	\$2,180,000	\$2,240,000	\$0	\$0	\$0	\$4,420,000
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	INCREASE	INCREASE	\$0	\$0	\$0	\$0
Annual Total					\$0	\$0

REVENUES	2023-24	2024-25	2025-26	2026-27	2027-28	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

Proposed law will increase state expenditures within the Department of Public Safety and Corrections, Public Safety Services, Office of State Police by \$820,000 and the Department of Treasury by \$3.6 M as local expenditures in law enforcement agencies by an indeterminable amount as a result of offering a \$5,000 one-time incentive payment to new law enforcement officers. The proposed law creates the Law Enforcement Recruitment Incentive Program and the Law Enforcement Recruitment Incentive Fund to aid in the recruitment of law enforcement officers by providing a one-time incentive payment of \$5,000 to all newly employed law enforcement officers that meet certain criteria.

Although the proposed law authorizes the statutorily dedicated Law Enforcement Recruitment Incentive Fund to receive potential funding from various sources at the beginning of FY 24, this measure does not identify a recurring source of revenue. The LFO anticipates that the source will be SGF. If monies are appropriated into the fund, the proposed law provides that the Law Enforcement Recruitment Incentive Fund be utilized to give a one-time incentive payment on a first-come first-serve basis. The proposed law sunsets on 7/01/2025.

Incentive Payments - Under the proposed law, the State Police Commission anticipates a cost of \$820,000 for incentive payments to 164 newly commissioned LA State Troopers based on four future cadet classes (\$380,000 in FY 24 and \$440,000 in FY 25) and the Department of Treasury anticipates a cost of \$3.6 M for incentive payments to 720 newly employed deputy sheriffs based on the historical number of new applications for supplemental pay (\$1.8 M in FY 24 and \$1.8 M in FY 25). The costs to local government are anticipated to increase by an indeterminable amount; however, the LFO presumes the costs associated with the increase will only be for incentive payments.

Recoupment - The proposed law authorizes the Treasury to monitor and send determination letters to newly employed officers that do not meet the criteria and are required to recoup incentive payments. The Treasury reports they are unable to absorb the additional workload required under this measure with existing resources. The Treasury anticipates hiring one position at a cost of approximately \$78,000, plus approximately \$2,450 for a one-time purchase of office equipment. The Treasury may incur staffing costs in subsequent fiscal years beyond the sunset date of 7/01/2025. These expenditures are assumed to be SGR in this fiscal note. In subsequent fiscal years, the fiscal note adds 3% increase in salaries for market rate adjustments and related benefits.

REVENUE EXPLANATION

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

Senate Dual Referral Rules
 13.5.1 >= \$100,000 Annual Fiscal Cost {S & H}
 13.5.2 >= \$500,000 Annual Tax or Fee Change {S & H}

House
 6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S}
 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}

Evan Brasseaux
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