



LEGISLATIVE FISCAL OFFICE
Fiscal Note

Fiscal Note On: **SB 33** SLS 23RS 130
 Bill Text Version: **ENROLLED**
 Opp. Chamb. Action:
 Proposed Amd.:
 Sub. Bill For.:

| | |
|--|--------------------------------|
| Date: June 12, 2023 11:19 AM | Author: WHITE, B |
| Dept./Agy.: Public Safety, Supplemental Pay Boards | |
| Subject: Increase Supplemental Pay by \$100 per Month | Analyst: Patrice Thomas |

SUPPLEMENTAL PAY EN +\$23,553,120 GF EX See Note Page 1 of 2
 Increases the amount of supplemental pay for eligible law enforcement and fire service employees. (7/1/23)

Proposed law increases supplemental pay for certain law enforcement officers and firefighters by \$100, from the current amount of \$500 to \$600 per month. Proposed law includes eligible firefighters, municipal police officers, deputy sheriffs, certain tribal police, harbor police, fireboat employee, and bridge police. Proposed law increases supplemental pay for every justice of the peace and constable for each justice of the peace court by \$20, from the current amount of \$100 to \$120 per month. Proposed law effective July 1, 2023. Proposed law directs the LA Legislative Auditor to audit the program and report findings and recommendations by 2/01/2024. Proposed law effective July 1, 2023.

| EXPENDITURES | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 5 -YEAR TOTAL |
|---------------------|----------------|----------------|----------------|----------------|----------------|----------------------|
| State Gen. Fd. | \$23,553,120 | \$23,403,120 | \$23,403,120 | \$23,403,120 | \$23,403,120 | \$117,165,600 |
| 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 | INCREASE | INCREASE | INCREASE | INCREASE | INCREASE | |
| Annual Total | | | | | | |
| 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 | <u>\$0</u> | <u>\$0</u> | <u>\$0</u> | <u>\$0</u> | <u>\$0</u> | \$0 |
| Annual Total | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |

EXPENDITURE EXPLANATION

Proposed law will increase annual SGF expenditures in Other Requirements Schedule 20-966 - Supplemental Pay by \$23,553,120 to provide supplemental payments beginning in FY 24 as follows: (1) \$100 per month increase to existing eligible law enforcement officers and firefighters as well as \$20 per month increase to existing justices of the peace and constables; and (2) a one-time increase in travel expenditures, assumed to be SGF, in the LA Legislative Auditor. See the summary table below.

| | |
|--|---------------------|
| Existing Police, Deputy Sheriffs, and Firefighters | \$23,226,000 |
| Existing Justices of the Peace and Constables | <u>\$177,120</u> |
| Total Pay | \$23,403,120 |
| Audit by LA Legislative Auditor (one-time cost) | <u>\$150,000</u> |
| Total | \$23,553,120 |

Existing Police Officers, Deputy Sheriffs, and Firefighters - \$23,226,000

Proposed law will increase annual SGF expenditures in Schedule 20-966 - Supplemental Pay by \$23.2 M to provide supplemental payments increase of \$100 per month to eligible firefighters, police officers, deputy sheriffs, certain tribal police, harbor police, and fireboat personnel beginning FY 24. The \$100 increase would bring the current supplemental payment amount for law enforcement officers from \$500 per month to \$600 per month (from \$6,000 per year to \$7,200 per year).

Currently, there are an average of 19,355 (5,650 firefighters, 5,405 municipal police offers, and 8,300 sheriff deputies receiving monthly supplemental pay for a total annual cost of \$116.1 M in FY 23. The proposed law requires an increase in supplemental pay beginning in FY 24 of \$23,226,000 SGF (\$139.4 M for \$600 per month - \$116.1 M for \$500 per month).

Continued on Page 2

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

Evan Brasseaux

Evan Brasseaux
 Interim Deputy Fiscal Officer



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CONTINUED EXPLANATION from page one:

EXPENDITURE EXPLANATION Continued from Page 1

Existing Justices of the Peace and Constables - \$177,120

Proposed law will increase annual SGF expenditures in Other Requirements Schedule 20-966 - Supplemental Pay by \$177,120 to provide supplemental payments increase of \$20 per month to eligible justices of the peace and constables beginning FY 24.

Currently, there are an average of 738 justices of the peace and constables receiving monthly supplemental pay for a total annual cost of \$885,600 in FY 23. The proposed law requires an increase in supplemental pay beginning in FY 24 of \$177,120 SGF (\$1,062,720 for \$120 per month - \$885,600 for \$100 per month).

Note: The General Appropriations Bill (HB 1) for FY 24 has a recommended \$23.4 M SGF increase in supplemental pay for law enforcement personnel, which provides funding for the additional \$100 per month supplemental payment to local law enforcement and firefighters as well as an additional \$20 per month supplemental payment for Constables and Justices of the Peace.

LA Legislative Auditor - \$150,000

The proposed law directs the LA Legislative Auditor (LLA) to examine, investigate, and audit the state's supplemental payment program and eligible recipients. Afterward, the LLA is required to make recommendations on modifications to the supplemental program in a report to the House Committee on Appropriations and the Senate Committee on Finance no later than February 1, 2024.

Local Governmental Entities - Increase

Proposed law will increase Local Funds expenditures by an indeterminable amount as state supplemental payments are included in the pensionable earnings used in the calculation of retirement benefits.

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

House
[X] 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}

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