HLS 051ES-302 REENGROSSED

First Extraordinary Session, 2005

HOUSE BILL NO. 97

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## BY REPRESENTATIVE ALARIO AND SENATOR HEITMEIER

INSURANCE/GROUP-STATE: Provides for certain benefits offered though the Office of Group Benefits programs for employees who were furloughed or terminated as a result of Hurricanes Katrina and Rita (Item #20)

AN ACT

2	To amend and reenact R.S. $42:851(E)(1)$ (introductory paragraph) and $(M)(1)$ and to enact
3	R.S. 42:851(D)(4) and (M)(4), relative to Office of Group Benefits programs; to
4	prohibit any reduction in the minimum state contribution for premium payments for
5	certain employees affected by Hurricanes Katrina and Rita under certain
6	circumstances; and to provide for related matters.
7	Be it enacted by the Legislature of Louisiana:
8	Section 1. R.S. 42:851(E)(1)(introductory paragraph) and (M)(1) are hereby
9	amended and reenacted and R.S. 42:851(D)(4) and (M)(4) are hereby enacted to read as
10	follows:
11	§851. Authority for employee benefit programs; payroll deduction for payment of
12	premiums.
13	* * *
14	D.
15	* * *
16	(4) Notwithstanding any provision of law to the contrary, any lapse in
17	participation for employees furloughed or terminated as the result of Hurricanes
18	Katrina and Rita and subsequently rehired between August 30, 2005, and December
19	31, 2006, shall not reduce the state minimum contribution.

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CODING: Words in struck through type are deletions from existing law; words <u>underscored</u> are additions.

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E.(1) Notwithstanding any other provision of this Part to the contrary, for any person who is an active employee as defined by R.S. 42:808 and who does not participate in the Office of Group Benefits program provided by this Part before January 1, 2002, but subsequently enrolls in the program, or for any person who is hired on or after January 1, 2002, who meets the definition of employee as provided by Subsection F of this Section R.S. 42:808 the state contribution of the total premium shall, upon retirement, be: M.(1) Notwithstanding any provision of law or any rule or regulation to the contrary, the state of Louisiana shall continue to contribute its portion of the premium or charges due under this Section for which an employee is granted leave of absence without pay due to a service-related injury or at the request of the agency for a period not to exceed twelve months. (4) An employee who is granted leave of absence without pay for any reason other than those enumerated above may continue participation in the Office of Group

Benefits program for a period not to exceed twelve months upon the employee's payment of the full premium or charges due.

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Section 2. This Act shall become effective upon signature by the governor or, if not signed by the governor, upon expiration of the time for bills to become law without signature by the governor, as provided by Article III, Section 18 of the Constitution of Louisiana. If vetoed by the governor and subsequently approved by the legislature, this Act shall become effective on the day following such approval.

REENGROSSED HB NO. 97

## **DIGEST**

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument.

Alario HB No. 97

**Abstract:** Prohibits reduction in the minimum state contribution for premium payments for certain employees affected by Hurricane Katrina or Rita who are subsequently rehired.

<u>Present law</u> provides for the minimum state contribution toward premiums payable by retirees.

<u>Proposed law</u> retains <u>present law</u> and prohibits any reduction in the state minimum contribution as a result of any lapse in participation for employees furloughed or terminated as the result of Hurricane Katrina or Rita and subsequently rehired between August 30, 2005, and December 31, 2006.

<u>Present law</u> provides circumstances where state continues to contribute its portion of the premium or charges due where an employee is granted a leave of absence without pay.

<u>Proposed law</u> provides that an employee who is granted a leave of absence without pay for a reason other than service-related injury may continue participation in the Office of Group Benefits program for a period not to exceed 12 months upon the employee's payment of the full premium or charges due.

Effective upon signature of governor or lapse of time for gubernatorial action.

(Amends R.S. 42:851(E)(1)(intro. para.) and (M)(1); Adds R.S. 42:851(D)(4) and (M)(4))

## Summary of Amendments Adopted by House

Committee Amendments Proposed by <u>House Committee on Appropriations</u> to the <u>original</u> bill.

- 1. Clarifies that employee must be rehired between Aug. 30, 2005, and Dec. 31, 2006.
- 2. Provides employee who is granted leave of absence without pay for any reason besides service-related injury must pay the full premium or charges.