



LEGISLATIVE FISCAL OFFICE  
Fiscal Note

Fiscal Note On: **HB 209** HLS 14RS 749  
Bill Text Version: **ORIGINAL**  
Opp. Chamb. Action:  
  
Proposed Amd.:  
Sub. Bill For.:

<b>Date:</b> March 14, 2014 9:24 AM	<b>Author:</b> HONORE
<b>Dept./Agy.:</b> Public Safety	
<b>Subject:</b> Supplemental Pay	<b>Analyst:</b> Matthew LaBruyere

LAW ENFORCE/OFFICERS OR INCREASE GF EX See Note Page 1 of 1  
Provides supplemental pay for certain law enforcement officers who receive advanced degrees

Proposed law provides for the creation of a special fund in the La. state treasury for purposes of crediting the appropriations made for payment of supplemental salaries for certain law enforcement officers and deputy sheriffs who receive an advanced degree from an accredited institution.

Proposed law provides for supplemental state compensation in the amount of \$250 per month to be paid to any police officer employed by any municipality or tribe and commissioned deputy sheriff who receive an advanced degree from an accredited institution.

EXPENDITURES	2014-15	2015-16	2016-17	2017-18	2018-19	5 -YEAR TOTAL
State Gen. Fd.	INCREASE	INCREASE	INCREASE	INCREASE	INCREASE	
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	2014-15	2015-16	2016-17	2017-18	2018-19	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

The proposed legislation will result in an increase in state general fund expenditures as a result of paying an additional \$250 per month in supplemental pay to police and deputy sheriffs who possess a postgraduate degree. It is unknown how many police and deputy sheriffs have attained postgraduate degrees. The fiscal impact of this measure is dependent upon the number of individuals receiving supplemental pay and attaining postgraduate degrees.

For illustrative purposes, according to the National Center for Educational Statistics, 14.3% of Louisiana residents have attained a bachelor’s degree and 6.9% have attained a graduate degree. Based on those statistics, providing an additional \$250 per month to police and deputy sheriffs could result in an additional State General Fund expenditure of \$456,000 annually.

For FY 15, the projected number of police and deputy sheriffs is 15,387 (6,413 police + 8,974 deputy sheriffs). To the extent 14.3% of these peace officers possess a bachelors degree, there would be 2,200 (15,387 peace officers x 14.3%) peace officers with bachelors degrees. Of those potential 2,200 peace officers that possess bachelors degrees, an average of 6.9% would have postgraduate degrees, which would be 152 (2,200 peace officers x 6.9%) peace officers.

Municipal Police	63 x \$250 x 12 =	\$189,000
Deputy Sheriffs	89 x \$250 x 12 =	\$267,000
TOTAL		\$456,000

The FY 15 projected number of participants for Municipal Police other than local governmental entities includes: the Greater New Orleans Expressway Commission, the New Orleans Harbor, the Chitmacha Tribe of Louisiana, the Coushatta Indian Tribe of Louisiana and the Tunica-Biloxi Tribe of Louisiana. The current version of HB 1 includes a FY 15 appropriation for Supplemental Pay (20-966) of \$126 million. The projected number of participants utilized for this fiscal note are the numbers presented within the Governor’s FY 15 Executive Budget. These participant projections fluctuate each month/year.

Local governments will be responsible for providing the additional retirement and Medicare payments for the firemen, municipal police and deputy sheriffs receiving supplemental pay. This percentage ranges from 30%-35% depending upon the retirement system to which the individual is contributing.

REVENUE EXPLANATION

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

Senate	Dual Referral Rules	House	<input checked="" type="checkbox"/> 6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S}	<div>Evan Brasseaux</div> <div>Evan Brasseaux Staff Director</div>
<input checked="" type="checkbox"/> 13.5.1 >= \$100,000 Annual Fiscal Cost {S&H}		<input type="checkbox"/> 6.8(F)(2) >= \$500,000 State Rev. Reduc. {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}		