

Regular Session, 2012

HOUSE BILL NO. 24

BY REPRESENTATIVE HENRY BURNS

INSURANCE/GROUP-SHERIFFS: Relative to the payment of group insurance premiums for retired sheriffs and employees of the Bossier Parish Sheriff's Office

1 AN ACT

2 To amend and reenact R.S. 13:5554(Z)(introductory paragraph) and (3) and 5555(C)(2) and
3 (D), relative to the payment of insurance premium costs; to provide for the payment
4 of such costs for retired sheriffs and employees of the Bossier Parish Sheriff's Office;
5 to provide relative to the Bossier Parish Retired Employees Insurance Fund; to
6 provide for the administration of the fund; to provide for the use and investment of
7 fund monies; and to provide for related matters.

8 Be it enacted by the Legislature of Louisiana:

9 Section 1. R.S. 13:5554(Z)(introductory paragraph) and (3) and 5555(C)(2) and (D)
10 are hereby amended and reenacted to read as follows:

11 §5554. Group insurance; kinds; amounts; subrogation

12 * * *

13 Z. Notwithstanding the provisions of Subsection D of this Section, the
14 Bossier Parish Sheriff's Office shall pay the premium costs of group insurance for
15 any retired sheriff and any retired employee hired on or after ~~January~~ September 1,
16 2010, who retired from the Bossier Parish Sheriff's Office as follows:

17 * * *

1 (3) The provisions of Paragraph (G)(1) of this Section shall apply to all
2 persons hired by the Bossier Parish Sheriff's Office before ~~January~~ September 1,
3 2010.

4 * * *

5 §5555. Bossier Parish; payment of group insurance premiums; retired sheriffs and
6 deputy sheriffs; creation of fund

7 * * *

8 C. Upon recommendation of the board established in Subsection G of this
9 Section, the sheriff of Bossier Parish shall invest the monies in the BREIF as
10 follows:

11 * * *

12 (2) At least twenty-five percent in fixed income investments, provided that
13 the average credit quality of the fixed income portion is rated ~~A or higher~~ as
14 investment grade.

15 D. The earnings realized on the monies invested pursuant to Subsection C
16 of this Section shall be available for the sheriff to withdraw for the sole purpose of
17 paying the insurance premium costs provided in R.S. 13:5554(G) for retired sheriffs
18 and retired deputy sheriffs of Bossier Parish, legal representation costs for the BREIF
19 Board, or both, provided that no such earnings shall be withdrawn until the amount
20 of principal and accumulated earnings in the BREIF is equal to the sum of ten
21 million dollars. In the event that the total amount of monies derived from deposits
22 provided in Subsection B of this Section and investment earnings fall below the sum
23 of ten million dollars, no earnings shall be withdrawn, and any balance owed for the
24 payment of insurance premium costs as required by R.S. 13:5554(G) or legal
25 representation costs for the BREIF Board shall be paid in full from the sheriff's
26 general fund.

27 * * *

28 Section 2. This Act shall become effective upon signature by the governor or, if not
29 signed by the governor, upon expiration of the time for bills to become law without signature

- 1 by the governor, as provided by Article III, Section 18 of the Constitution of Louisiana. If
2 vetoed by the governor and subsequently approved by the legislature, this Act shall become
3 effective on the day following such approval.
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DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

Henry Burns

HB No. 24

Abstract: Provides for the eligibility for payment of premium costs from BREIF and other costs associated with administration of the fund, as well as use and investment of fund monies.

Present law provides that 50% of the premium costs of group hospital, surgical, medical expense, and dental insurance, and life insurance shall be paid by the Bossier Parish Sheriff's Office for all sheriffs and employees who retire with at least 20 years of service who are at least 55 years of age.

Present law provides that 100% of the premium costs of group hospital, surgical, medical expense, and dental insurance, and life insurance shall be paid by the Bossier Parish Sheriff's Office for all sheriffs and employees who retire with at least 30 years of service regardless of age.

Present law applies to persons hired by the Bossier Parish Sheriff's Office on or after Jan. 1, 2010.

Proposed law changes the date of application of present law for persons hired by the Bossier Parish Sheriff's Office from Jan. 1, 2010, to Sept. 1, 2010.

Present law provides that the monies in Bossier Parish Retired Employees Insurance Fund (BREIF) shall be invested by not less than 25% in equities and at least 25% in fixed income investments, provided that the average credit quality of the fixed income portion is rated A or higher.

Proposed law retains present law except that the average credit quality of the fixed income portion must be rated as investment grade.

Present law provides that the earnings on the invested monies shall be available for withdrawal for the sole purpose of paying the insurance premiums of retired employees of the Bossier Parish Sheriff's Office, unless the earnings fall under \$10 million, then the premiums shall be paid from the sheriff's general fund.

Proposed law provides that the earnings on the invested monies shall also be available to pay the legal representation costs for the BREIF Board or in the event the earnings fall under \$10 million, then the legal representation costs shall be paid from the sheriff's general fund.

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

(Amends R.S. 13:5554(Z)(intro. para.) and (3) and 5555(C)(2) and (D))