

Department of Planning and Budget 2016 Fiscal Impact Statement

1. **Bill Number:** HB1193

House of Origin Introduced Substitute Engrossed

Second House In Committee Substitute Enrolled

2. **Patron:** Carr

3. **Committee:** Appropriations

4. **Title:** Line of Duty Act; probation and parole officers.

5. **Summary:** Expands the definition of a deceased person under the Line of Duty Act to include probation and parole officers whose death occurs as a direct or proximate result of the performance of their duty. Such employees would become eligible for the health insurance and death benefits prescribed under the Line of Duty Act.

6. **Budget Amendment Necessary:** Yes, Items 394 (DOC) and 413 (DJJ)

7. **Fiscal Impact Estimates:** Preliminary, see Item 8.

7a. Expenditure Impact:

<i>Fiscal Year</i>	<i>Dollars</i>	<i>Fund</i>
2016	\$0	-
2017	\$850,489	General
2018	\$850,489	General
2019	\$850,489	General
2020	\$850,489	General
2021	\$850,489	General
2022	\$850,489	General

8. **Fiscal Implications:** This bill would add probation and parole officers employed by state and locally operated Court Services Units (CSUs) (§16.1-230 et seq.), probation and parole officers employed by the Department of Corrections (§53.1-141 et seq.), and local community-based probation officers (§9.1-173 et seq.) as personnel who are eligible to receive benefits under the Line of Duty Act (LODA).

State agencies participate in the Line of Duty Act Fund (“the Fund”), which is managed by the Virginia Retirement System. Each agency is assessed a per person premium for each LODA eligible employee. The VRS Board of Trustees establishes the premium to be charged per each eligible employee. For the 2016-2018 biennium the VRS Board of Trustees established a premium of \$567.37 per each LODA eligible employee.

The premium is calculated each biennium by VRS and is based on generating enough revenue for the Fund to pay for the ongoing health and death benefits for eligible employees and the administrative costs of the program incurred by the Department of Accounts (DOA) and VRS. This fiscal impact statement assumes a level premium after fiscal year 2018, however, the premium may change based on the costs paid from the Fund.

The Department of Juvenile Justice (DJJ) indicates that under the provisions of this bill, 585 additional employees currently employed by a state operated CSU would be eligible for LODA benefits, which would increase the agency's LODA bill by \$331,912 annually. DJJ indicates that these employees are paid from the agency's general fund appropriation and so the additional premium would be a general fund cost.

The Department of Corrections (DOC) indicates that under the provisions of this bill, 914 additional employees would be eligible for LODA benefits, which would increase the agency's LODA bill by \$518,577 annually. DOC indicates that these employees are paid from the agency's general fund appropriation and so the additional premium would be a general fund cost.

In addition to the state employees who would become LODA eligible under this legislation, certain local employees would also become eligible. Probation and parole officers employed by local CSUs and local community-based probation officers would become LODA eligible. For reference, the Department of Criminal Justice Services (DCJS) estimates that this change would impact approximately 413 local community-based probation officers across the Commonwealth. Localities were given the option to make an irrevocable decision in 2012 to either participate in the state LODA Fund or to self-fund all benefits proscribed under the LODA. If a locality participates in the state plan, the locality would be assessed the \$567.37 per eligible employee premium by VRS. If a locality self-funds, it may pay for LODA benefits through an insurance pool, self-insurance, or an appropriation as claims occur. Due to the variation in how localities pay for LODA benefits, a local fiscal impact estimate is currently indeterminate.

9. Specific Agency or Political Subdivisions Affected: Department of Accounts, Department of Corrections, Department of Criminal Justice Services, Department of Juvenile Justice, Virginia Retirement System, all localities operating a Court Services Unit, all localities employing local community corrections and pretrial officers.

10. Technical Amendment Necessary: No.

11. Other Comments: This bill is identical to SB619.