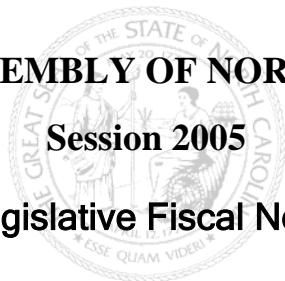


GENERAL ASSEMBLY OF NORTH CAROLINA

Session 2005

Legislative Fiscal Note



BILL NUMBER: Senate Bill 1082 (First Edition)

SHORT TITLE: Health Benefits for Disabled Local LEO.

SPONSOR(S): Senator Berger of Rockingham

FISCAL IMPACT					
	Yes (X)	No ()	No Estimate Available ()		
	<u>FY 2005-06</u>	<u>FY 2006-07</u>	<u>FY 2007-08</u>	<u>FY 2008-09</u>	<u>FY 2009-10</u>
EXPENDITURES	\$0 -\$585,861	\$0 -\$1,171,722	\$0 -\$1,757,583	\$0 -\$2,343,444	\$0 -\$2,929,305
POSITIONS (cumulative):	N/A				
PRINCIPAL DEPARTMENT(S) & PROGRAM(S) AFFECTED: Any participating Local employers in the Local Governmental Employees' Retirement System with disabled law enforcement officers.					
EFFECTIVE DATE: July 1, 2005					

BILL SUMMARY: Allows any law enforcement officers of State political subdivisions who become disabled and entitled to a disability retirement benefits from the Local Governmental Employees' Retirement System to be eligible for health insurance benefits on the same basis as other retirees of that employers, but without regard to the number of years of service credited to the officer.

ASSUMPTIONS AND METHODOLOGY: Cost estimates are based on an average of 128 law enforcement officers who become disabled each year and an estimated annual cost for health insurance of \$4,577. Since there is no way to estimate how many of these officers will qualify for health insurance, without the passage of this bill, we assume that the cost will be between zero and the full cost of providing health insurance benefits to the 128 additional officers who retire on disability each year. There are 2,182 disabled law enforcement officers who have already retired who will also be eligible for coverage under this bill. The estimated cost does not reflect these officers. No inflation factors were used in estimating future health insurance cost for local governments.

SOURCES OF DATA: Local Governmental Employees' Retirement System, League of Municipalities and Institute of Government Survey

TECHNICAL CONSIDERATIONS: None

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DATE: May 31, 2005

Signed Copy Located in the NCGA Principal Clerk's Offices