

Regular Session, 2013

HOUSE BILL NO. 42

BY REPRESENTATIVE ARNOLD

RETIREMENT/LOCAL: Provides for a final average compensation for members of the Firefighters' Pension and Relief Fund in the city of New Orleans

1 AN ACT

2 To amend and reenact R.S. 11:3384(B) and (C), relative to the Firefighters' Pension and  
3 Relief Fund in the city of New Orleans; to provide for final average compensation;  
4 to provide an effective date; and to provide for related matters.

5 Notice of intention to introduce this Act has been published  
6 as provided by Article III, Section 13 and Article X, Section  
7 29(C) of the Constitution of Louisiana.

8 Be it enacted by the Legislature of Louisiana:

9 Section 1. R.S. 11:3384(B) and (C) are hereby amended and reenacted to read as  
10 follows:

11 §3384. Firefighters employed after December 31, 1967; computation of benefits

12 \* \* \*

13 B. If the firefighter has worked one or more hours of service after December  
14 31, 1995, he shall receive a retirement benefit equal to two and one-half percent of  
15 his average compensation based on the ~~four~~ five highest consecutive years of  
16 employment, multiplied by the number of years of creditable service. If the member  
17 continues to remain a member of the system beyond twelve years of service and such  
18 member attains the age of fifty, the retirement benefit for each year or portion of a  
19 year beyond twelve years of service and after age fifty, shall be an amount equal to  
20 three and one-third percent of the average annual compensation for each year or

1 portion of a year. If the member continues service beyond thirty years, the  
 2 retirement benefit for each year or portion of a year beyond twelve years of service  
 3 shall be an amount equal to three and one-third percent of the average annual  
 4 compensation for each year or portion of a year. However, the retirement benefit  
 5 shall not exceed a total of three and one-third percent each year. The service benefits  
 6 of such firefighter shall not exceed one hundred percent of the average compensation  
 7 earned during any three highest average consecutive years of service preceding  
 8 retirement.

9 C. A firefighter who has not worked an hour of service after December 31,  
 10 1995, shall receive a retirement allowance equal to two and one-half percent of his  
 11 average salary based on the highest ~~four~~ five consecutive years multiplied by the  
 12 number of years of creditable service, not to exceed seventy-five percent and further  
 13 provided that in the case of those employees who remain in service beyond twelve  
 14 years and who have reached the age of fifty-five years, the percentage shall be three  
 15 percent for all years over twelve, with a maximum benefit of eighty percent.

16 \* \* \*

17 Section 2. For those members retiring or entering the Deferred Retirement Option  
 18 Plan or back-Deferred Retirement Option Plan on or after July 1, 2013, and on or before July  
 19 1, 2014, the period used to calculate monthly average final compensation shall be forty-eight  
 20 months plus the number of whole months since July 1, 2013.

21 Section 3. This Act shall become effective July 1, 2013; if vetoed by the governor  
 22 and subsequently approved by the legislature, this Act shall become effective on July 1,  
 23 2013, or on the day following such approval by the legislature, whichever is later.

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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)]

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Arnold

HB No. 42

**Abstract:** Relative to the New Orleans Fire Fighters Pension and Relief Fund (NOFF), provides for a 60-month final average compensation.

Present law, relative to NOFF, provides that the monthly final compensation used to calculate benefits for persons hired on or after Jan. 1, 1968, shall be based on the highest 48 consecutive months of pay. Proposed law provides that the final compensation for all such members shall be based on the highest consecutive 60 months.

Proposed law provides that, for members retiring or entering DROP or back-DROP on or after July 1, 2013, and on or before July 1, 2014, the final compensation period used to compute monthly average final compensation shall be 48 months plus the number of whole months since July 1, 2013.

Effective July 1, 2013.

(Amends R.S. 11:3384(B) and (C))