

Regular Session, 2008

HOUSE BILL NO. 993

BY REPRESENTATIVE ARNOLD

RETIREMENT/LOCAL: Creates a varying schedule of accrual rates of the retirement benefits 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), relative to the Firefighters' Pension and Relief Fund
3 in the city of New Orleans; to create a varying schedule of accrual rates of the
4 retirement benefits for members of the fund; to provide for an effective date; and to
5 provide for related matters.

6 Notice of intention to introduce this Act has been published
7 as provided by Article III, Section 13 and Article X, Section
8 29(C) of the Constitution of Louisiana.

9 Be it enacted by the Legislature of Louisiana:

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

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

12 * * *

13 B.(1) If the firefighter has worked one or more hours of service after
14 December 31, 1995, he shall receive a retirement benefit equal to two and one-half
15 percent of his average compensation based on the four 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-five, the retirement benefit for each year or portion
19 of a year beyond twelve years of service and after age fifty-five shall be an amount

1 equal to three percent of the average annual compensation for each year or portion
2 of a year.

3 (2) If the firefighter has worked one or more hours of service after December
4 31, 1995, and has more than twenty and less than twenty-five years of service, he
5 shall receive a retirement benefit equal to two and two-thirds percent of his average
6 compensation based on the four highest consecutive years of employment, multiplied
7 by the number of years of creditable service. Additionally, the retirement benefit for
8 each year or portion of a year beyond twelve years of service and after age fifty-five
9 shall be an amount equal to three percent of the average annual compensation for
10 each year or portion of a year.

11 (3) If the firefighter has worked one or more hours of service after December
12 31, 1995, and has twenty-five or more years of service but less than thirty years of
13 service, he shall receive a retirement benefit equal to three percent of his average
14 compensation based on the four highest consecutive years of employment, multiplied
15 by the number of years of creditable service. Additionally, the retirement benefit for
16 each year or portion of a year beyond twelve years of service and after age fifty-five
17 shall be an amount equal to three and one-third percent of the average annual
18 compensation for each year or portion of a year.

19 (4) If the firefighter has worked one or more hours of service after December
20 31, 1995, and ~~the member~~ continues service beyond thirty years, the retirement
21 benefit for each year or portion of a year beyond twelve years of service shall be an
22 amount equal to three and one-third percent of the average annual compensation for
23 each year or portion of a year. However, the retirement benefit shall not exceed a
24 total of three and one-third percent each year. The service benefits of such
25 firefighter shall not exceed one hundred percent of the average compensation earned
26 during any three highest average consecutive years of service preceding retirement.

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.

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)]

Arnold

HB No. 993

Abstract: Relative to the Firefighters' Pension and Relief Fund in the city of New Orleans (NOFF), creates a varying schedule of accrual rates of the retirement benefits of members of such system.

Present law (R.S. 11:3384(A)) provides that a member of NOFF employed after 12/31/1967 shall be eligible for retirement if he has 12 years of service at the age of 50.

Present law (R.S. 11:3384(B)) further provides that if the member has worked one or more hours of service after 12/31/1995, then he shall receive a benefit equal to 2.5% of his average compensation based on the four highest consecutive years of employment, multiplied by the number of years of creditable service. If the member continues to remain a member of the system past 12 years and attains the age of 55, then he shall receive 3% of average compensation for every year or portion of a year over 12 years and after age 55.

Proposed law creates a varying schedule of accrual rates for members of NOFF who have worked one or more hours of service after 12/31/1995, as follows:

- (1) Such person shall receive a retirement benefit of 2.5% of average compensation based on his four highest consecutive years of employment, multiplied by his years of service. If the member continues in the system past 12 years, the retirement benefit for each year or portion of a year above 12 years and age 55 shall be an amount equal to 3% of average compensation.
- (2) Such person who has more than 20 years but less than 25 years of service shall receive a benefit equal to 2-2/3% of average compensation based on his four highest consecutive years of employment, multiplied by his years of service. Additionally, the retirement benefit for each year or portion of a year above 12 years and age 55 shall be an amount equal to 3% of average compensation.
- (3) Such person who has 25 or more years of service but less than 30 years shall receive a benefit equal to 3% of average compensation based on his four highest consecutive years of employment, multiplied by his years of service. Additionally, the retirement benefit for each year or portion of a year above 12 years and age 55 shall be an amount equal to 3-1/3% of average compensation.
- (4) Such person who has more than 30 years of service shall receive a benefit equal to 3-1/3% for each year or portion of a year of service. The service benefit for such person shall not exceed 100% of average compensation earned during the three highest consecutive years of service.

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

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