

2017 Regular Session

HOUSE BILL NO. 9

BY REPRESENTATIVE ABRAHAM

Prefiled pursuant to Article III, Section 2(A)(4)(b)(i) of the Constitution of Louisiana.

RETIREMENT/FIREFIGHTERS: Provides relative to earnable compensation in the Firefighters' Retirement System

1 AN ACT

2 To amend and reenact R.S. 11:2252(9)(a), relative to calculation of contributions and
3 benefits in the Firefighters' Retirement System; to provide for the definition of
4 earnable compensation; and to provide for related matters.

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

8 Be it enacted by the Legislature of Louisiana:

9 Section 1. R.S. 11:2252(9)(a) is hereby amended and reenacted to read as follows:

10 §2252. Definitions

11 The following words and phrases, as used in this Chapter, unless a different
12 meaning is plainly required by context, shall have the following meaning:

13 * * *

14 (9)(a) "Earnable compensation" shall mean the full amount of compensation
15 earned by an employee on a regular tour of duty, including supplemental pay paid
16 by the state of Louisiana, educational incentive pay, holiday pay, seniority incentive
17 pay, and pay to an employee acting in a civil service classification higher than the
18 one he holds but shall not include overtime.

19 * * *

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)]

HB 9 Original

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Abraham

Abstract: Includes educational incentive pay, seniority incentive pay, holiday pay, and acting pay as earnable compensation for purposes of calculating contribution requirements and benefits within the Firefighters' Retirement System (FRS).

Present law requires each municipality, parish, and fire protection district employing a member of FRS to calculate contribution requirements using an employee's earnable compensation. Present law applicable to FRS defines earnable compensation as the full amount earned by an employee for a given pay period and enumerates excluded earnings such as overtime, operating expenses, insurance, bonuses, and any other type of irregular or nonrecurring payment. Present law further defines earnable compensation as the full amount of compensation earned by an employee on a regular tour of duty, including supplemental pay paid by the state of La.

A recent La. Supreme Court decision (*Dunn v. City of Kenner*) establishes that educational incentive pay, seniority incentive pay, holiday pay, and acting pay (pay to a person acting in a higher civil service classification) are included in the FRS definition of "earnable compensation".

Proposed law includes educational incentive pay, seniority incentive pay, holiday pay, and acting pay as earnable compensation for employees participating in FRS.

(Amends R.S. 11:2252(9)(a))