

2016 Regular Session

HOUSE BILL NO. 57

BY REPRESENTATIVE LEGER

RETIREMENT/LOCAL: Provides relative to the assessment and remittal of employee contributions to the Firefighters' Pension and Relief Fund in the city of New Orleans

1 AN ACT

2 To amend and reenact R.S. 11:3363(B), relative to employee contributions in the Fire  
3 Fighters' Pension and Relief Fund in the city of New Orleans; to provide with respect  
4 to the regularity and amount of such contributions; to provide with respect to consent  
5 to such deductions; to provide relative to the establishment of an "employer pick-up"  
6 plan within the system in accordance with Internal Revenue Code provisions; to  
7 provide relative to the transfer of such contributions to the system; to provide relative  
8 to the powers and duties of the board with respect to such contributions; to provide  
9 relative to member rights relative to such contributions; and to provide for related  
10 matters.

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

14 Be it enacted by the Legislature of Louisiana:

15 Section 1. R.S. 11:3363(B) is hereby amended and reenacted to read as follows:  
16 §3363. Powers of board; assessment of members; determination of applications for  
17 benefits

18 \* \* \*

19 B.(1) The board shall assess each member of the fire department not less  
20 than ten percent of his ~~salary~~ compensation, to be deducted ~~monthly~~ each pay period,

1 the same to be placed by the secretary-treasurer to the credit of the fund subject to  
2 the orders of the board.

3 (2) The fire department shall automatically deduct such contributions from  
4 the member's compensation each pay period. Such deduction shall not be optional.  
5 Payment of any amount, allowance, withdrawal or other benefit pursuant to the  
6 provisions of this Part shall constitute a discharge and release of any claim or  
7 demand related to such deduction.

8 (3) At least once per month, the fire department shall remit all member  
9 contributions directly to the system.

10 (4) Member contributions required pursuant to the provisions of this  
11 Subsection are intended to be "pick-up contributions" and shall be made and  
12 administered in the manner prescribed under Section 414(h) of the Internal Revenue  
13 Code.

14 (5) Member contributions deducted pursuant to the provisions of this  
15 Subsection shall be deemed part of the member's compensation for purposes of  
16 determining benefits and whether such compensation is less than the minimum  
17 amount required by law. Payment to a member of his compensation shall be deemed  
18 to discharge and acquit the fire department and the city with respect to services  
19 rendered by such member during such period, except as to any prospective claim for  
20 benefits or payments pursuant to the provisions of this Part.

21 (6) The board of trustees shall adopt procedures and guidelines as it deems  
22 necessary and appropriate for the collection, remittal, and reporting of member  
23 contributions.

24 \* \* \*

25 Section 2. This Act shall become effective upon signature by the governor or, if not  
26 signed by the governor, upon expiration of the time for bills to become law without signature  
27 by the governor, as provided by Article III, Section 18 of the Constitution of Louisiana. If  
28 vetoed by the governor and subsequently approved by the legislature, this Act shall become  
29 effective on the day following such approval.

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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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HB 57 Original

2016 Regular Session

Leger

**Abstract:** Provides relative to the payment of employee contributions in the Fire Fighters' Retirement System in the city of New Orleans (NOFF).

Present law establishes NOFF and provides for the assessment of contributions from employees in order to partially fund the benefits provided by the system. Proposed law retains present law.

Present law requires an employee contribution equal to 10% of the employee's salary. Proposed law changes this assessment to 10% of the employee's compensation. Further provides that deductions from a member's pay in order to fund this assessment are not optional. Prohibits claims against the city, the fire department, or the system for such deductions once the member receives a distribution of any kind from the system.

Present law requires the employee contribution assessments to be made on a monthly basis. Proposed law requires such assessments to be made each pay period.

Proposed law further establishes an "employer pick-up" plan within NOFF pursuant to Internal Revenue Code provisions. Such plan authorizes an employer to deduct employee contributions from the member's pay and remit them directly to the system. Further provides that the sums deducted by the employer for employee contribution purposes are to be counted as part of the employee's compensation for the purposes of determining benefits and present law minimum compensation requirements.

Proposed law requires the fire department to remit collected employee contributions to the system at least once per month.

Proposed law requires the board of trustees of the system to adopt procedures for the collection, remittal, and reporting of contributions pursuant to present and proposed law.

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

(Amends R.S. 11:3363(B))