
DIGEST

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HB 9 Original

2017 Regular Session

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))