## **DIGEST**

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HB 9 Engrossed

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).

<u>Present law</u> requires each municipality, parish, and fire protection district employing a member of FRS to calculate contribution requirements using an employee's earnable compensation. <u>Present law</u> 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. <u>Present law</u> 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".

<u>Proposed law</u> 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))