DIGEST

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Arnold HB No. 41

Abstract: Provides for the composition, election, terms of office, authority, and officers of the board of trustees of the Firefighters' Pension and Relief Fund in the city of New Orleans (NOFF) and provides for the powers of the board with respect to the granting of certain benefits.

<u>Present law</u> provides for a pension and relief fund for firefighters in the city of New Orleans. Provides for a board of trustees to administer the fund. Proposed law retains present law.

<u>Present law</u> provides for the membership of the board of trustees. Provides for 10 members as follows:

- (1) The superintendent of the fire department.
- (2) The director of finance of the city of New Orleans.
- (3) Five members elected from the active ranks of the department.
- (4) Three members elected from the ranks of retired members of the department.

<u>Proposed law</u> changes the total number of board member <u>from</u> 10 <u>to</u> seven. Provides that two members instead of five are elected from the active ranks of the department. Provides that two members instead of three are elected from the ranks of retired members of the department. Provides that one member who is domiciled in and an elector of the city of New Orleans is appointed by the mayor subject to confirmation by the New Orleans city council and that a vacancy in this position is filled in the same manner.

<u>Present law</u> provides that the election to the board is held on the second Wednesday in Dec. and that members so elected take office on the second Wednesday in Jan. <u>Proposed law</u> provides instead that the election is held on the fourth Wednesday in Aug. and that members so elected take office at noon on the day following such election. <u>Proposed law</u> retains <u>present law</u> provision for two-year terms.

<u>Present law</u> requires the board to designate the place of the election at its regular meeting in Nov. <u>Proposed law</u> requires instead that the designation must be made at the board's regular meeting in July.

<u>Present law</u> provides that only those members of the board elected or appointed from the active ranks of the department have the right to vote on any proposal to increase the assessment levied against the salary of each member of the fire force. Proposed law repeals present law.

<u>Present law</u> authorizes the board to grant cost-of-living adjustments (COLAs) for retirees and beneficiaries of retirees. <u>Proposed law</u> requires approval of such COLAs by a two-thirds vote of the entire board.

<u>Present law</u> requires a majority vote of the entire board in order to grant any disability benefit. <u>Proposed law</u> requires that disability benefits be approved by a two-thirds majority of the board.

<u>Proposed law</u> provides that the terms of the elected members of the board in office on the effective date of <u>proposed law</u> shall terminate on the effective date of <u>proposed law</u>; however, such members shall continue to serve until a successor is elected. <u>Proposed law</u> further requires the board to call an election to fill the vacancies created by <u>proposed law</u>.

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

(Amends R.S. 11:3362, 3376(A) and (B), 3377(A)(intro. para.), and 3382(A))

Summary of Amendments Adopted by House

Committee Amendments Proposed by House Committee on Retirement to the original bill.

- 1. Changes the number of members elected to the board from the active ranks of the department <u>from 5 to 2</u>.
- 2. Changed the number of members elected from the retired ranks of the department from 3 to 2.
- 3. Adds requirement that member appointed by the mayor of the city of New Orleans in proposed law also be an elector of the city.
- 4. Removes proposed law adding two additional members to the board of trustees.
- 5. Removes <u>proposed law</u> extending the terms of the board members <u>from</u> 2 years <u>to</u> 4 years.
- 6. Changes the date that elections to the board of trustees are held <u>from</u> the second Wednesday in December <u>to</u> the fourth Wednesday in August.
- 7. Repeals <u>present law</u> provisions relative to which board members may vote to increase the assessments by the board against employee salaries.
- 8. Changes the vote needed for the board to grant a cost-of-living adjustment <u>from</u> a

- simple majority to a two-thirds majority of the full membership.
- 9. Changes the vote needed for the board to grant any disability retirement <u>from</u> a simple majority <u>to</u> a two-thirds majority of the full membership.
- 10. Adds provision that current elected members of the board shall have their terms of office terminated on the effective date of the Act, and that the board must call a special election to fill the vacancies created by the provisions of the Act. Requires current board members to continue to serve until their successor is elected pursuant to proposed law.