
DIGEST

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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))