HLS 24RS-150 ORIGINAL

2024 Regular Session

HOUSE BILL NO. 33

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BY REPRESENTATIVE MANDIE LANDRY

RETIREMENT/LOCAL: Provides relative to retirement for all hires in the Firefighters' Pension and Relief Fund in the city of New Orleans

AN ACT

2 To amend and reenact R.S. 11: 3384(A) and (B) and 3386(A) and to repeal R.S. 11: 3384(D) 3 and 3386(B), relative to the New Orleans Firefighters' Pension and Relief Fund; to 4 provide for eligibility for retirement benefits; to provide for accrual rates; to provide 5 for withdrawals from service prior to retirement; and to provide for related matters. Notice of intention to introduce this Act has been published 6 7 as provided by Article III, Section 13 and Article X, Section 8 29(C) of the Constitution of Louisiana. 9 Be it enacted by the Legislature of Louisiana: 10 Section 1. R.S. 11:3384 (A) and (B) and 3386(A) are hereby amended and reenacted 11 to read as follows: 12 §3384. Firefighters employed after December 31, 1967; computation of benefits 13 A.(1) Notwithstanding R.S. 11:3381, any firefighter who enters the employ 14 of the fire department after December 31, 1967, and on or before December 31, 15 <del>2014,</del> who has reached the age of fifty years and who has not less than twelve years 16 of service in the fire department, and who is a contributing member of this system, 17 may retire upon his written application to the board setting forth at what time he 18 desires to be retired, provided that, at the time so specified for his retirement, he shall 19 have met the requirements as provided in this Section.

CODING: Words in struck through type are deletions from existing law; words <u>underscored</u> are additions.

(2) Any firefighter who enters the employ of the fire department on or after January 1, 2015, and before August 15, 2016, who has reached the age of fifty-two years, who has not less than twelve years of service in the fire department, and who is a contributing member of this system may retire upon his written application to the board setting forth at what time he desires to be retired, if at the time so specified for his retirement he meets the requirements as provided in this Section.

(3) Any firefighter who enters the employ of the fire department on or after August 15, 2016, who has reached retirement age as defined in 42 U.S.C. 416(1)(1), hereinafter in this Part referred to as full retirement age, less ten years, who has not less than twelve years of service in the fire department, and who is a contributing member of this system may retire upon his written application to the board setting forth at what time he desires to be retired, if at the time so specified for his retirement he meets the requirements provided in this Section.

B.(1) If a firefighter employed by the fire department after December 31, 1967, on or before December 31, 2014; has worked one or more hours of service after December 31, 1995, he shall receive a retirement benefit equal to two and one-half percent of his average compensation based on the five highest consecutive years of employment, multiplied by the number of years of creditable service. If the member continues to remain a member of the system beyond twelve years of service, and such member attains the age of fifty, the retirement benefit for each year or portion of a year beyond twelve years of service and after age fifty shall be an amount equal to three and one-third percent of the average annual compensation for each year or portion of a year. If the member continues service beyond thirty years, the retirement benefit for each year or portion of a year beyond twelve years of service shall be an amount equal to three and one-third percent of the average annual compensation for each year or portion of a year. However, the retirement benefit shall not exceed a total of three and one-third percent each year. The service benefits of such firefighter shall not exceed one hundred percent of the average compensation

earned during any five highest average consecutive years of service preceding retirement.

(2) A firefighter who enters the employ of the fire department on or after January 1, 2015, and before August 15, 2016, shall receive a retirement benefit equal to two and three-quarters percent of his average compensation, based on the five highest consecutive years of employment, multiplied by the number of years of creditable service. The service benefits of such firefighters shall not exceed one hundred percent of the average compensation earned during any five highest average consecutive years of service preceding retirement. Notwithstanding any provision of law to the contrary, the provisions of Paragraph (1) of this Subsection are applicable to all service credit earned by a firefighter who entered the fire department on or after January 1, 2015.

(3) A firefighter who enters the employ of the fire department on or after August 15, 2016, shall receive a retirement benefit equal to two and one-half percent of his average compensation, based on the five highest consecutive years of employment, multiplied by the number of years of creditable service. The service benefits of such firefighters shall not exceed one hundred percent of the average compensation earned during any five highest average consecutive years of service preceding retirement.

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§3386. Vested rights and benefits

A.(1) Any member employed by the fire department on or before December 31, 2014, after December 1, 1967, whose withdrawal from service occurs prior to the attainment of age fifty years and who shall at such time have completed at least twelve years but less than twenty of creditable service shall remain a member of the pension and relief fund, and, in such a case, the member shall receive a service retirement benefit beginning when he attains the age of fifty years, provided the member has not withdrawn his accumulated contributions. The retirement benefit to be paid shall be two and one-half percent of average compensation during the best

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year of service preceding the date of withdrawal from service for each year of credited service. If the member dies after withdrawal from service but prior to attaining age fifty but having twelve years credited service, his widow and/or children and/or survivors shall be entitled to receive his accumulated contributions in a lump sum with interest credited thereto. If the member receiving benefits under this Subsection dies, his surviving widow shall receive the minimum benefit as set forth in R.S. 11:3383. If the member receiving benefits under this Subsection dies leaving a widow and children under the age of eighteen, then the widow and children under eighteen years of age shall receive the minimum benefit as set forth in R.S. 11:3383 equally divided between them. When the children of the member attain the age of eighteen or become married while receiving benefits under this Subsection, the benefits they are receiving shall be paid to the widow of the member.

(2) Notwithstanding any provision of law to the contrary, the provisions of Paragraph (1) of this Subsection are applicable to a firefighter who entered the fire department on or after January 1, 2015.

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### DIGEST

Section 2. R.S. 11:3384(D) and 3386(B) are hereby repealed in their entirety.

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)]

HB 33 Original

2024 Regular Session

Mandie Landry

**Abstract:** Provides for benefits and withdrawals for the New Orleans Firefighters' Pension and Relief Fund.

<u>Present law</u> provides with respect to retirement eligibility and benefits in the New Orleans Firefighters' Pension and Relief Fund.

# **Retirement Eligibility**

<u>Present law</u> provides for the following with respect to retirement eligibility: 12 years of service credit and the following:

- (1) Person hired between Dec. 31, 1967–Dec. 31, 2014: attained age 50.
- (2) Person hired between Jan. 1, 2015–Aug. 15, 2016: attained age 52.

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(3) Persons hired after Aug. 15, 2016: attained retirement age as defined in present federal law regarding social security.

<u>Proposed law</u> repeals (2) and (3) above and makes 50 the retirement eligibility age for all employees.

#### **Accrual Rate**

<u>Present law</u> provides for the following with respect to accrual rate:

- (1) Person hired between Dec. 31, 1967–Dec. 31, 2014:
  - (a) At 12 years of service: 2.5%.
  - (b) Between 12 years and 30 years of service: 2.5% for the first 12 years + 3.33% for each additional year.
  - (c) 30 years or more years of service: 3.33% for all service credit.
- (2) Person hired between Jan. 1, 2015–Aug. 15, 2016: 2.75%.
- (3) Person hired after Aug. 15, 2016: 2.5%.

Proposed law repeals (2) and (3) above and makes (1) applicable to all employees.

#### Withdrawal

<u>Present law provides</u> a member may withdraw from service and remain a member of the system and receive a retirement benefit provided that he has 12 years of service credit and the following:

- (1) Person hired between Dec. 31, 1967–Dec. 31, 2014: attained age 50.
- (2) Person hired between Jan. 1, 2015–Aug. 15, 2016: attained age 52.
- (3) Person hired after Aug. 15, 2016: attained retirement age as defined in present federal law regarding social security.

<u>Proposed law</u> repeals (2) and (3) above and provides that all such employees begin to receive a benefit at age 50.

(Amends R.S. 11:3384(A) and (B) and 3386(A); Repeals R.S. 11:3384(D) and 3386(B))