

Regular Session, 2012

HOUSE BILL NO. 988

BY REPRESENTATIVE JONES

RETIREMENT/FIREFIGHTERS: Provides for a five-year deferred retirement option plan for certain members of the Firefighters' Retirement System

1 AN ACT

2 To amend and reenact R.S. 11:2257(C), relative to the Firefighters' Retirement System; to
3 provide for a five-year deferred retirement option plan period for certain members;
4 to provide for qualifications; to authorize an extension of the period for members
5 currently in the plan; and to provide for related matters.

6 Notice of intention to introduce this Act has been published
7 as provided by Article X, Section 29(C) of the Constitution
8 of Louisiana.

9 Be it enacted by the Legislature of Louisiana:

10 Section 1. R.S. 11:2257(C) is hereby amended and reenacted to read as follows:

11 §2257. Deferred Retirement Option Plan

12 * * *

13 C. The duration of participation in the plan shall be specified and shall not
14 exceed ~~three years~~; the following:

15 (1) Three years for any member who has at least twenty but less than twenty-
16 seven years of creditable service.

17 (2) Five years for any member who has at least twenty-seven years of
18 creditable service.

19 * * *

1 Section 2. Any person who has at least twenty-seven years of creditable service and
2 who is participating in the deferred option retirement plan on the effective date of this Act
3 shall be allowed to extend his participation in the plan up to the five-year period provided
4 for in this Act.

5 Section 3. This Act shall become effective upon signature by the governor or, if not
6 signed by the governor, upon expiration of the time for bills to become law without signature
7 by the governor, as provided by Article III, Section 18 of the Constitution of Louisiana. If
8 vetoed by the governor and subsequently approved by the legislature, this Act shall become
9 effective on the day following such approval.

DIGEST

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)]

Jones

HB No. 988

Abstract: Relative to the Firefighters' Retirement System (FRS), provides for a five-year deferred option retirement plan (DROP) for members with 27 or more years of creditable service.

Present law creates the DROP program within FRS. Upon entering DROP, the member's retirement benefit accrual and calculation are frozen, and he defers receipt of his retirement benefits while he continues to work. The benefits he would have received are instead deposited into an account during his time in DROP. Upon completion of this DROP election, the member may formally separate from service, collect the sum accumulated in his DROP account, and begin to collect his retirement benefit. Proposed law retains present law.

Present law provides for up to a three-year DROP period for any member who has at least 20 years of creditable service. Proposed law provides for up to a three-year DROP period for any member who has at least 20 but less than 27 years of creditable service. Proposed law provides for a five-year DROP period for any member who has at least 27 years of creditable service.

Proposed law further allows a member with 27 years of creditable service who is participating in DROP at the time proposed law becomes effective to extend his DROP participation period to the five-year total provided for in proposed law.

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

(Amends R.S. 11:2257(C))