
DIGEST

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Pearson

HB No. 50

Abstract: Changes the minimum employee contribution rate for the Firefighters' Pension and Relief Fund in New Orleans from 6% to 10% and repeals the provision exempting employees with 20 or more years of service from having to make employee contributions.

Present law provides for a pension and relief fund for firefighters in the city of New Orleans. Provides for a board of trustees to control and manage the fund. Proposed law retains present law.

Present law provides that each member of the system must contribute at least 6% of his salary each month to the retirement system. Proposed law changes this minimum employee contribution amount from 6% to 10%.

Present law provides that any member who has accrued 20 years of service is exempt from the required contribution. Proposed law repeals present law, making the required contribution applicable to such members.

Proposed law phases-in the board assessments against employee salaries, as follows:

- (1) For employees with less than 20 years of service on the effective date of the Act:
 - (i) From Jan. 1, 2014, until Dec. 31, 2014, the assessment shall be 8%.
 - (ii) From Jan. 1, 2015, until Dec. 31, 2015, the assessment shall be 10%.
- (2) For employees with 20 or more years of service on the effective date of the Act:
 - (i) From Jan. 1, 2014, until Dec. 31, 2014, the assessment shall be 3.33%.
 - (ii) From Jan. 1, 2015, until Dec. 31, 2015, the assessment shall be 6.66%.
 - (iii) From Jan. 1, 2016, until Dec. 31, 2016, the assessment shall be 10%.

Effective Jan. 1, 2013.

(Amends R.S. 11:3363(B))

Summary of Amendments Adopted by House

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

1. Adds provisions phasing-in the increased assessment by the board provided for in

proposed law.