Regular Session, 2013

HOUSE BILL NO. 22

## BY REPRESENTATIVE DANAHAY

Prefiled pursuant to Article III, Section 2(A)(4)(b)(i) of the Constitution of Louisiana.

| 1  | AN ACT  |
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| 2  | To amend and reenact R.S. 11:2178(A), (B)(introductory paragraph), (1), and (3)(b), and     |
| 3  | (C)(1)(c)(i), (ii), (iii), and (iv)(aa) and (4) and to repeal R.S. 11:231(A)(6) and         |
| 4  | (C)(1)(d), relative to the Sheriffs' Pension and Relief Fund; to provide relative to the    |
| 5  | calculation of final average compensation; 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. 11:2178(A), (B)(introductory paragraph), (1), and (3)(b), and               |
| 11 | (C)(1)(c)(i), (ii), (iii), and (iv)(aa) and (4) are hereby amended and reenacted to read as |
| 12 | follows:  |
| 13 | §2178. Disability benefits; retirement benefits; death benefits                             |
| 14 | A. For purposes of this Section, the term "final average compensation" shall                |
| 15 | mean:   |
| 16 | (1) For any member whose first employment making him eligible for                           |
| 17 | membership in the system began prior to July 1, 2006, the member's average salary           |
| 18 | for the thirty-six highest successive months of employment, or the highest thirty-six       |
| 19 | successive joined months of employment where interruption of service occurred. If           |
| 20 | the member has been employed for a period of less than thirty-six months, final             |
| 21 | average compensation shall be based on the average monthly salary received for the          |
| 22 | time employed. The earnings to be considered for the thirteenth through the                 |
| 23 | twenty-fourth month shall not exceed one hundred twenty-five percent of the                 |

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

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earnings of the first through the twelfth month. The earnings to be considered for the final twelve months shall not exceed one hundred twenty-five percent of the earnings of the thirteenth through the twenty-fourth month. Nothing in this Subsection, however, shall change the method of determining the amount of earned compensation received.

(2) For any member whose first employment making him eligible for membership in the system began on or after July 1, 2006, and prior to July 1, 2013, the member's average salary for the sixty highest successive months of employment, or the highest sixty successive joined months of employment where interruption of service occurred. If the member has been employed for a period of less than sixty months, final average compensation shall be based on the average monthly salary received for the time employed.

(3) For any member whose first employment making him eligible for membership in the system began on or after July 1, 2013, final average compensation is defined as the member's average salary for the sixty highest successive months of employment, or the highest sixty successive joined months of employment where interruption of service occurred. If the member has been employed for a period of less than sixty months, final average compensation shall be based on the average monthly salary received for the time employed. The earnings to be considered for the thirteenth through the twenty-fourth month shall not exceed one hundred fifteen percent of the earnings of the first through the twelfth month. The earnings to be considered for the twenty-fifth through the thirty-sixth month shall not exceed one hundred fifteen percent of the earnings of the thirteenth through the twenty-fourth month. The earnings for the thirty-seventh through the forty-eighth month shall not exceed one hundred fifteen percent of the earnings of the twenty-fifth through the thirty-sixth month. The earnings for the final twelve months shall not exceed one hundred fifteen percent of the earnings of the thirty-seventh through the forty-eighth month.

<u>B.</u> Eligibility for disability benefits, procedures for application for disability benefits, procedures for the certification of continuing eligibility for disability

benefits, the authority of the board of trustees to modify disability benefits, and procedures governing the restoration to active service of a formerly disabled employee are specifically described and provided for in R.S. 11:201 through R.S. 11:224 11:225. B. The board of trustees shall award disability benefits to eligible members who have been officially certified as disabled by the State Medical Disability Board. The disability benefit shall be as follows:

- (1) Service related disability benefit. (a) The disability benefit for total disability from gainful employment due to an injury sustained while in the performance of official duties shall be a sum equal to forty-five percent of final average compensation.
- (b)(i) For the purpose of this Subsection, for any member whose first employment making him eligible for membership in the system began prior to July 1, 2006, final average compensation is defined as the member's average salary for the thirty-six highest successive months of employment, or the highest thirty-six successive joined months of employment where interruption of service occurred. If the member has been employed for a period of less than thirty-six months, final average compensation shall be based on the average monthly salary received for the time employed.
- (ii) For the purpose of this Subsection, for any member whose first employment making him eligible for membership in the system began on or after July 1, 2006, final average compensation is defined as the member's average salary for the sixty highest successive months of employment, or the highest sixty successive joined months of employment where interruption of service occurred. If the member has been employed for a period of less than sixty months, final average compensation shall be based on the average monthly salary received for the time employed.
- (c) A member who is classified as totally disabled for any employment shall be entitled to earn twenty-five percent of his disability benefit in a calendar year before being reclassified as partially disabled.

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(b)(i) For the purpose of this Subsection, for any member whose first employment making him eligible for membership in the system began prior to July 1, 2006, final compensation is defined as the member's average salary for the thirty-six highest successive months of employment, or the highest thirty-six successive joined months of employment where interruption of service occurred. If the member has been employed for a period of less than thirty-six months, final average compensation shall be based on the average monthly salary received for the time employed.

(ii) For the purpose of this Subsection, for any member whose first employment making him eligible for membership in the system began on or after July 1, 2006, final average compensation is defined as the member's average salary for the sixty highest successive months of employment, or the highest sixty successive joined months of employment where interruption of service occurred. If the member has been employed for a period of less than sixty months, final average compensation shall be based on the average monthly salary received for the time employed.

(iii) Upon approval for disability benefits, the member shall exercise a retirement option as provided for service retirement under the provisions of Subsection I of this Section and no change in the option selected shall be permitted after it has been filed with the board. The retirement option factors shall be the same as those utilized for regular retirement based on the age of the retiree and spouse had the retiree continued in active service until the normal retirement date.

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(c)(i) A member whose first employment making him eligible for membership in the system began on or before June 30, 2006, shall be paid a monthly sum equal to three and one-third percent of the member's average monthly salary for

the thirty-six highest successive months of employment, or the highest thirty-six successive joined months of employment where interruption of service occurred, final average compensation multiplied by the number of years of creditable service in the fund.

- (ii) A member whose first employment making him eligible for membership in the system began on or after July 1, 2006, but prior to January 1, 2012, shall be paid a monthly sum equal to three and one-third percent of the member's average monthly salary for the sixty highest successive months of employment, or the highest sixty successive joined months of employment where interruption of service occurred, final average compensation multiplied by the number of years of creditable service in the fund.
- (iii) A member whose first employment making him eligible for membership in the system began on or after January 1, 2012, shall be paid a monthly sum equal to three percent of the member's average monthly salary for the sixty highest successive months of employment, or the highest sixty successive joined months of employment where interruption of service occurred, final average compensation multiplied by the number of years of creditable service in the fund.

(iv)(aa) Notwithstanding the provisions of Item (iii) of this Subparagraph, a member whose first employment making him eligible for membership in the system began on or after January 1, 2012, who retires with thirty or more years of creditable service or any member who in the performance of his official duties as a commissioned law enforcement officer suffers a violent act or accident during the pursuit, apprehension, or arrest of a criminal suspect and as a result becomes totally and permanently disabled or dies, shall be paid a monthly sum equal to three and one-third percent of the member's average monthly salary for the sixty highest successive months of employment, or the highest sixty successive joined months of employment where interruption of service occurred, final average compensation multiplied by the number of years of creditable service in the fund.

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HB NO. 22 **ENROLLED** 1 (4)(a) For those members whose first employment making them eligible for 2 membership in the system began prior to July 1, 2006, the retirement pension under 3 this Subsection shall in no case exceed the average monthly salary for the thirty-six 4 highest successive months of employment, or the highest thirty-six successive joined 5 months of employment where interruption of service occurred. 6 (b) For those members whose first employment making them eligible for 7 membership in the system began on or after July 1, 2006, the The retirement pension  $under this \, Subsection \, shall \, in \, no \, case \, exceed \, the \, \frac{average \, monthly \, salary \, for \, the \, sixty}{a}$ 8 9 highest successive months of employment, or the highest sixty successive joined 10 months of employment where interruption of service occurred member's final 11 average compensation. 12 13 Section 2. R.S. 11:231(A)(6) and (C)(1)(d) are hereby repealed in its entirety. 14 Section 3. This Act shall become effective on June 30, 2013; if vetoed by the 15 governor and subsequently approved by the legislature, this Act shall become effective on 16 June 30, 2013, or on the day following such approval by the legislature, whichever is later. SPEAKER OF THE HOUSE OF REPRESENTATIVES PRESIDENT OF THE SENATE

APPROVED: \_\_\_\_\_

GOVERNOR OF THE STATE OF LOUISIANA