Memo

**FIREFIGHTERS'
RETIREMENT SYSTEM**

To: All Mayors, Fire Chiefs and Payroll Departments
From: Steven Stockstill
Date: June 26, 2023
Subject: Earnable Compensation

Please take note of the following information:

- Some employers may be receiving "Premium Pay" or other forms of Federal and/or state stimulus payments which are paid to their employees. These are defined by FRS as "other types or irregular or nonrecurring payments" and do not qualify as earnable compensation pursuant to R.S. 11:233, 11:2252, and R.S. 11:2262. Please do not remit any employee or employer contributions for payments of these types of income.

- In 2022, the state legislature appropriated a one-time, non-recurring, lump sum payment of $1,200 for each eligible firefighter. The state supplemental pay board decided to distribute it over a twelve month period. However, when the legislature appropriated the payment it specifically labeled it as a "one-time lump-sum" payment. Since that is the way the legislative Act defined it, then FRS law bars it from inclusion in pensionable income. The 2022 one-time payment does not qualify as earnable compensation pursuant to R.S. 11:233, 11:2252, and R.S. 11:2262. Please do not remit any employee or employer contributions for this income.

- This year (2023) the state legislature permanently increased state supplemental pay to firefighters from $500 per month to $600 per month. The increase is considered to be earnable income for pension purposes because it is recurring. Please **do remit** employee and employer contributions for this income. The law is effective on July 1, 2023. Your July 2023 monthly contributions that are reported on the August 2023 contributions report, must include this income for those firefighters who the department deems to be eligible for state supplemental pay and then continuously going forward for all eligible firefighters.

Thanks for your attention to this matter. Please call the FRS office at 225-925-4060 if you have any questions or need additional information.

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