

HOUSE SUMMARY OF SENATE AMENDMENTS

HB 15

2020 Regular Session

Coussan

RETIREMENT/LOCAL: Provides for membership of certain new hires of the Lafayette City-Parish Consolidated Government in the Parochial Employees' Retirement System of Louisiana

Synopsis of Senate Amendments

1. Change the applicability of provisions requiring payments to cover the UAL as each position is eliminated from Lafayette to any employer that eliminates a position or class of positions from MERS.
2. Add that eliminating a vacant position or a position held by a person who is laid off does not require such UAL payments.
3. Require MERS to notify all other state and statewide systems if an employer terminates its agreement with MERS. Further require that if that employer later enrolls employees in one of those other systems, the system shall notify MERS.

Digest of Bill as Finally Passed by Senate

Present law, relative to MERS, provides that employees of participating incorporated cities, towns, or villages in La. shall be members of MERS.

Present law, relative to PERS, provides that any permanent employee of a parish shall be a member of PERS.

Present law, relative to both MERS and PERS, provides that if the governing authorities of a municipality and a parish consolidate into one government, those members who were members of MERS at the time of consolidation shall remain members of MERS. Those people employed after such consolidation shall become members of PERS.

Present law provides that notwithstanding present law, any employee of the Lafayette Consolidated Government (LCG) first employed on or after Nov. 1, 2010, who is in a department created by the LCG Home Rule Charter, except for police and firefighters, shall become a member of PERS. Present law also includes certain employees of the city court.

Proposed law, applicable to the same groups of Lafayette employees, provides that those hired on or after Nov. 1, 2020, shall become members of PERS instead of MERS.

Present law provides that, if an employer terminates its agreement with MERS for coverage of its employees or eliminates an employee position or class of positions covered by MERS by contracting with a private entity for the work formerly done by employees in eliminated positions, the employer shall remit that portion of the unfunded accrued liability (UAL) which is attributable to the employer's participation or the employee's or class of employees' participation in the system. Provides that the amount due shall be determined by the MERS actuary.

Proposed law retains present law and requires an employer that eliminates any position from system coverage remit UAL payments calculated and remitted as provided in present law. Specifies that eliminating a vacant position or a position held by a person who is laid off does not require the remittance of UAL payments.

Proposed law requires MERS to notify all other state and statewide systems if an employer terminates its agreement with MERS. Further requires that if that employer later enrolls

employees in one of those other systems, that system shall notify MERS.

(Amends R.S. 11:1733(F), 1753(C), and 1923(C))