HLS 18RS-253 ORIGINAL

2018 Regular Session

HOUSE BILL NO. 26

1

BY REPRESENTATIVE PEARSON

RETIREMENT/MUNICIPAL EMP: Provides for participation by certain entities in the Municipal Employees' Retirement System of Louisiana

AN ACT

2 To amend and reenact R.S. 11:1733(A)(introductory paragraph) and 1751(E) and to enact 3 R.S. 11:1732(14)(a)(xi), (xii), and (xiii), relative to participation in the Municipal 4 Employees' Retirement System of Louisiana; to include additional employers in the 5 system; to provide for membership of certain mayors; and to provide for related matters. 7 Notice of intention to introduce this Act has been published 8 as provided by Article X, Section 29(C) of the Constitution 9 of Louisiana. 10 Be it enacted by the Legislature of Louisiana: 11 Section 1. R.S. 11:1733(A)(introductory paragraph) and 1751(E) are hereby 12 amended and reenacted and R.S. 11:1732(14)(a)(xi), (xii), and (xiii) are hereby enacted to 13 read as follows: 14 §1732. Definitions 15 The following words and phrases, as used in this Chapter, unless a different 16 meaning is plainly required by the context, shall have the following meanings: 17 18 (14)(a) "Employer" or "participating employer" shall mean: 19

1	(xi) Any tax board or commission of a municipality or parish in the state of
2	Louisiana that has entered into an agreement with the board pursuant to R.S.
3	<u>11:1733.</u>
4	(xii) The Firefighters' Pension and Relief Fund in the city of New Orleans.
5	(xiii) The Louisiana Uniform Local Sales Tax Board.
6	* * *
7	§1733. Agreement for coverage of employees of incorporated cities, towns, and
8	villages and tax boards or commissions
9	A. Each incorporated city, town, or village or tax board or commission of a
10	municipality or parish is hereby authorized to submit for board approval an
11	agreement for extending the benefits of this Chapter to its employees. Each such
12	agreement or amendment thereof shall be approved by the board if it is in conformity
13	with the rules of the board, the requirements of this Chapter, and applicable state
14	laws. Each agreement shall:
15	* * *
16	§1751. Membership
17	* * *
18	E.(1) Persons who have retired from any Louisiana state public retirement
19	system, plan, or fund who are over the age of sixty-five shall not be required to
20	participate in the system.
21	(2)(a) The provisions of this Paragraph shall apply only to mayors who are
22	in office on the effective date of this Paragraph.
23	(b) Any mayor who, at the time of his taking office in a position which
24	would otherwise mandate his membership in the system, is receiving a retirement
25	benefit from any source whatsoever other than this system and who is over the age
26	of sixty-five shall not be required to participate in the system. The election not to
27	participate shall be made and communicated to the system within thirty days after
28	June 15, 2004. No employee contributions shall be made by a mayor who elects not

1	to participate pursuant to this Paragraph, nor shall his employer make employer
2	contributions to the system.
3	(c) Any mayor who is a member of the system on June 15, 2004, who has
4	been paying employee contributions and who meets the criteria for electing not to
5	participate in the system contained in this Paragraph may choose to terminate
6	membership in the system and may apply for a refund of his employee contributions
7	immediately as otherwise provided for in this Chapter.
8	(d) Any mayor who withdraws his contributions or who chooses not to
9	become a member of the system under the provisions of this Paragraph who later
10	wishes to receive credit for such service in this or any other system in this Title shall
11	pay to such system an amount sufficient to offset any additional liability to the
12	system, calculated on an actuarial basis in accordance with R.S. 11:158(C).
13	(e) Notwithstanding any provision of this Paragraph, anyone, regardless of
14	age who is receiving a retirement benefit from this system who again becomes
15	employed in a position which would otherwise make him a mandatory participant,
16	shall be subject to the provisions in this Chapter relating to the reemployment of
17	retirees.
18	* * *
19	Section 2. With respect to the Morehouse Sales and Use Tax Commission, the
20	provisions of this Act shall be given prospective application and retroactive application to
21	January 1, 2018.
22	Section 3. This Act shall become effective upon signature by the governor or, if not
23	signed by the governor, upon expiration of the time for bills to become law without signature
24	by the governor, as provided by Article III, Section 18 of the Constitution of Louisiana. If
25	vetoed by the governor and subsequently approved by the legislature, this Act shall become
26	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)]

HB 26 Original

2018 Regular Session

Pearson

Abstract: Adds certain employers to the Municipal Employees' Retirement System of La. (MERS) and removes provisions relative to mayors in office on June 15, 2004.

Participating employers in MERS are enumerated in <u>present law</u>, either by name or by class of employers, that must enter into an agreement with the board including terms set out by present law.

<u>Proposed law</u> adds the Firefighters' Pension and Relief Fund in the city of New Orleans and the La. Uniform Sales Tax Bd. as participating employers in MERS. <u>Proposed law</u> adds any local tax board or commission that has entered into an agreement with MERS pursuant to <u>present law</u> as a participating employer in MERS.

For mayors in office on June 15, 2004, who are over the age of 65 and receiving a retirement benefit from any source other than MERS, <u>present law</u> provides that such members may elect not to participate in MERS. Any such member that was already a member of MERS on June 15, 2004 may terminate his membership and apply for an immediate refund of his employee contributions. Provides that a member who elects not to participate or terminate participation in MERS may later receive credit for service years by paying an amount sufficient to offset any additional liability to the system. Provides that notwithstanding <u>present law</u>, any person receiving a retirement benefit from MERS who is again employed in a position that would otherwise make him a mandatory participant shall be subject to <u>present law</u> relative to reemployment of system retirees. <u>Proposed law</u> repeals <u>present law</u>.

Relative to the Morehouse Sales and Use Tax Commission, <u>proposed law</u> is retroactive to Jan. 1, 2018.

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

(Amends R.S. 11:1733(A)(intro. para.) and 1751(E); Adds R.S. 11:1732(14)(a)(xi), (xii), and (xiii))