

ACT No. 314

HOUSE BILL NO. 683 (Substitute for House Bill No. 36 by Representative Jones)

BY REPRESENTATIVE JONES

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AN ACT

To amend and reenact R.S. 11:1762(A) and (B) and to enact R.S. 11:1762.1, relative to the reemployment of retirees of the Municipal Employees' Retirement System of Louisiana; to provide for retirees who return to work; to provide for benefit suspension; to provide for a supplemental benefit; to provide for membership in the system; and to provide for related matters.

Notice of intention to introduce this Act has been published as provided by Article X, Section 29(C) of the Constitution of Louisiana.

Be it enacted by the Legislature of Louisiana:

Section 1. R.S. 11: 1762(A) and (B) are hereby amended and reenacted and R.S. 11:1762.1 is hereby enacted to read as follows:

§1762. ~~Reemployment~~ Part-time reemployment of retirees

A.(1) Whenever a retiree receiving normal retirement benefits becomes reemployed by an employer ~~such that~~ but he does not meet the definition of an employee and his monthly earnings are equal to or less than the difference between his monthly average final compensation and his monthly retirement benefit, his retirement benefits shall continue and he shall not be a member of the system.

(2) Whenever a retiree receiving normal retirement benefits becomes reemployed by an employer ~~such that~~ but he does not meet the definition of an employee and his monthly earnings exceed the difference between his monthly average final compensation and his monthly retirement benefit, his retirement benefits shall be reduced by the amount his monthly earnings exceed the difference

1 between his monthly average final compensation and his monthly retirement benefit
 2 for every month of such employment and he shall not be a member of the system.

3 B. For a retired member first reemployed on or after July 1, 2016, during a
 4 period of reemployment by an employer without his meeting the definition of an
 5 employee, the retiree and his employer shall make contributions to the retirement
 6 system as provided by this Chapter, but the retiree shall receive no additional service
 7 credit and shall not accrue any additional retirement benefit in the retirement system.
 8 Upon termination of reemployment, employee contributions paid since
 9 reemployment shall, upon application, be refunded to the retiree without interest.
 10 The retirement system shall retain the employer contributions and interest on
 11 contributions made pursuant to this Subsection.

12 * * *

13 §1762.1. Full-time reemployment of retirees

14 A. (1) If a retiree receiving a normal benefit becomes employed by an
 15 employer as an employee on or after July 1, 2017, the retired member's retirement
 16 benefit shall be suspended and the retired member shall be a member of the system.
 17 Upon his subsequent separation from service, the system shall resume payments of
 18 the retired member's original benefit.

19 (2) If the retiree worked for more than twelve months, he shall receive a
 20 supplemental benefit based on his salary and service earned during reemployment
 21 using the payment option elected by the member for his original retirement benefit.
 22 If the retiree is reemployed for a period of less than twelve months, he shall not earn
 23 a supplemental benefit and the system shall return the employee contributions to the
 24 member without interest and retain the contributions paid by the employer.

25 B. The supplemental benefit when combined with the original benefit shall
 26 not exceed the final compensation figure used to compute the supplemental benefit.

27 C. If a retiree receiving a normal benefit becomes employed by an employer
 28 as an employee prior to July 1, 2017, the retired member may elect to have his
 29 benefit suspended and be a member of the system pursuant to this Section.

1 Section 2. This Act shall become effective on June 30, 2017; if vetoed by the
2 governor and subsequently approved by the legislature, this Act shall become effective on
3 June 30, 2017, or on the day following such approval by the legislature, whichever is later.

SPEAKER OF THE HOUSE OF REPRESENTATIVES

PRESIDENT OF THE SENATE

GOVERNOR OF THE STATE OF LOUISIANA

APPROVED: _____