

2024 Regular Session

SENATE BILL NO. 406

BY SENATOR KLEINPETER

RETIREMENT BENEFITS. Removes the cap on the amount of any permanent benefit increase for recipients whose benefit is based on the record of someone who retired with at least 30 years of service credit. (gov sig)

1 AN ACT

2 To amend and reenact R.S. 11:2178(K)(2)(a), relative to the Sheriffs' Pension and Relief
3 Fund; to provide for membership in and receipt of benefits from the fund; to provide
4 relative to permanent benefit increases for certain recipients; to provide for an
5 effective date; and to provide for related matters.

6 Notice of intention to introduce this Act has been published.

7 Be it enacted by the Legislature of Louisiana:

8 Section 1. R.S. 11:2178(K)(2)(a) is hereby amended and reenacted to read as follows:

9 §2178. Disability benefits; retirement benefits; death benefits

10 * * *

11 K. * * *

12 (2)(a)(i) The permanent benefit increase shall be payable in a monthly
13 amount not to exceed two and one-half percent of the normal monthly benefit
14 payable to the retiree, disability recipient, or survivor on the date the increase is
15 granted. **Except as provided in Item (ii) of this Subparagraph, the** The dollar
16 amount of such increase for any recipient shall not exceed five percent of the average
17 monthly benefit in payment to service retirees as of the end of the preceding fiscal

1 year.

2 **(ii) The dollar amount of any permanent benefit increase for a recipient**
3 **whose benefit is based on the record of someone who retired with a minimum**
4 **of thirty years of creditable service shall not be subject to the cap contained in**
5 **Item (i) of this Subparagraph of five percent of the average monthly benefit in**
6 **payment to service retirees.**

7 * * *

8 Section 2. This Act shall become effective upon signature by the governor or, if not
9 signed by the governor, upon expiration of the time for bills to become law without signature
10 by the governor, as provided by Article III, Section 18 of the Constitution of Louisiana. If
11 vetoed by the governor and subsequently approved by the legislature, this Act shall become
12 effective on the day following such approval.

The original instrument and the following digest, which constitutes no part
of the legislative instrument, were prepared by Alana M. Perrin.

DIGEST

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Present law authorizes the board of trustees of the Sheriffs' Pension and Relief Fund to provide permanent benefit increases (PBIs) to benefit recipients under certain circumstances. Limits any PBI to 2.5% of the normal monthly benefit being paid on the date of the increase. Further limits the dollar amount of any recipient's increase to 5% of the average monthly benefit in payment to service retirees as of the end of the preceding fiscal year, representing twice the maximum dollar amount of an increase payable to a service retiree receiving the average monthly benefit.

Proposed law retains present law and provides that the increase payable to any recipient whose benefit is based on the membership of someone with at least thirty years of creditable service shall not be subject to a cap on any PBI authorized by the board of trustees under present law.

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

(Amends R.S. 11:2178(K)(2)(a))