

1 benefits shall be paid retroactive to the date of eligibility. If an application for
2 any benefit is received by the board more than sixty days after the date the
3 applicant attained eligibility, retroactive benefits shall be paid only for the sixty
4 days prior to the date the application is received by the board.

5 * * *

6 Section 2. R.S. 11:1755(E)(1)(a) and (5), 1821(E), 1823(22), 1826(B), 1842, and
7 1843 are hereby amended and reenacted to read as follows:

8 §1755. Creditable service; service certificate; adjusted service date; repayment of
9 withdrawn contributions

10 * * *

11 E.(1)(a) The provisions of this Subsection are limited in scope and shall ~~only~~
12 apply only to members of this system whose ~~employing municipality~~ participating
13 employer irrevocably elects such coverage. The board of trustees shall cause to be
14 promulgated all regulations necessary to govern the procedures for ~~municipalities~~
15 participating employers to irrevocably elect coverage under the provisions of this
16 Subsection.

17 * * *

18 (5) The actuarial cost of providing the conversion authorized by this
19 Subsection shall be borne solely by and shall be paid to the board by the ~~municipality~~
20 ~~that employed the member~~ the member's employer within thirty days of the date
21 that the member retires.

22 * * *

23 §1821. Board of trustees; membership; term of office; oath of office; compensation;
24 voting power; vacancies

25 * * *

26 E. The trustee shall serve without compensation but shall be reimbursed as
27 provided by R.S. 11:181(D). ~~Notwithstanding the exceptions provided in R.S.~~
28 ~~42:1102(22) and 1123(41), no trustee shall accept any thing of economic value from~~
29 ~~any person identified in R.S. 42:1115(A)(1) unless the thing of value is food, drink,~~

Employees' Retirement System (MERS) shall make application for such benefit to the board. Provides for the retirement allowance to be paid monthly commence on the first day of the first month following board approval.

Proposed law provides that if a written application for any benefit is received by the board within 60 days or fewer after the date the applicant became eligible for the benefit, benefits shall be paid retroactive to the date of eligibility. Further provides that if an application for any benefit is received by the board more than 60 days after the eligibility date, retroactive benefits shall be paid only for the 60 days prior to the date the application is received by the board.

Present law provides for employer municipalities participating in MERS to elect to allow employees to convert unused annual and sick leave to retirement credit.

Proposed law retains present law and makes the election allowed under present law available to all participating employers.

Present law provides for the duties of MERS' actuary, including making an actuarial investigation (sometimes referred to as an "experience study") of the members as to mortality, disability, retirement, separation, marital status of employees, marriage of surviving spouses, interest, and employee earning rates at least once every three years.

Proposed law requires an actuarial investigation in FY 2023-2024 and changes the frequency of future studies from every three to five years.

Present law provides that trustees shall serve without compensation but shall be reimbursed as provided by present law. Provides that notwithstanding the exceptions provided in present law, no trustee shall accept any thing of economic value from any person identified in present law unless the thing of value is food, drink, or refreshments consumed by the trustee while the personal guest of some person during an educational or professional development seminar or conference. Proposed law removes this provision of present law.

Present law requires each board member to discharge his fiduciary duties solely in the interest of the system's members and beneficiaries and for the exclusive purpose of providing benefits to the members and their beneficiaries, and defraying reasonable expenses of administering the system, with the care, skill, prudence, and diligence under the circumstances then prevailing that a prudent man acting in a like capacity and familiar with such matters would use in the conduct of an enterprise of a like character and with like aims.

Proposed law retains present law.

Present law provides that the board shall have the duty to include in the financial statement submitted to the legislature pursuant to present law an itemized schedule of all amounts paid by the system to or on behalf of the system's board members. Proposed law removes this requirement.

Present law provides that the state retirement system's board of trustees shall be the custodian of the system funds. Requires all expense vouchers and pension payrolls to be certified by the administrative director.

Present law prohibits the board paying for a board member's attendance at more than one educational or professional development seminar or conference per fiscal year held outside of the state of La. Prohibits payment for a board member's attendance at any educational or professional development seminar or conference that is not affiliated with an association related to state retirement systems. Proposed law removes these prohibitions.

Present law authorizes the board to keep available cash for paying expenses and benefits, not exceeding one percent of the total amount in the several funds of the retirement system, on

deposit in one or more banks or trust companies of the state of La. organized under present law, provided that the sum on deposit in any one bank or trust company shall not exceed 10% of the paid up capital and surplus of the bank or trust company.

Proposed law increases the limit on cash available for payment of expenses and benefits from one percent to 10%.

Effective June 30, 2022.

(Amends R.S. 11:1755(E)(1)(a) and (5), 1821(E), 1823(22), 1826(B), 1842, and 1843; adds R.S. 11:1756(D); repeals R.S. 11:1823(23))