

2017 Legislative Session:

Retirement Bills Filed:

Senate Bill 8 by Sen. Peacock:

Digest:

Proposed law provides for the correction of an enrollment error for a person incorrectly enrolled in any La. public pension or retirement system, plan, or fund who should have been enrolled in one of the state or statewide retirement systems.

Proposed law provides that any person who was enrolled in the wrong system by error but who should have been in one of the systems covered by proposed law shall be transferred to the system for which his employment makes him eligible. Proposed law provides that the employee shall be notified of the error by the incorrect system. Requires the incorrect system to initiate the transfer within 30 days of the date the error is discovered.

Proposed law provides for restoration of forfeited service credit at the incorrect system if the employee repays any refund received from the incorrect system. Provides for the transfer of the restored service credit and associated funds to the correct system. Proposed law provides for calculation and transfer of funds from the incorrect system to the correct system. Specifies that upon transfer of all the money required pursuant to proposed law from the incorrect system to the correct system, all of the employee's service credit shall be transferred to the correct system and the employee's refundable contribution balance shall be equal to the contributions he would have paid to the correct system if the employee had been properly enrolled.

Proposed law provides for calculation of the amount necessary to fund the actuarial liability created by receipt of the service credit by the correct system. Requires the employer to pay any deficit between the amount the incorrect system transferred to the correct system and the amount necessary to fund the liability created by receipt of the service credit.

Proposed law provides for any overpayment of employee contributions to be refunded to the employee. Provides for any overpayment by the employer to be refunded to the employer.

Present law (R.S. 11:896(C)), relative to the Teachers' system only, provides for enrollment in that system of a person employed in a position covered by the system who was not enrolled in any public retirement system. Provides the person may establish service credit for the time he should have been a member of this system only under the provisions of present law (R.S. 11:888).

House Bill 32 by Rep. Pearson:

Digest:

Present law provides that the MERS board of trustees is composed of 11 trustees:

- (1) Three active and contributing members of the system who are elected officials.
- (2) Three active and contributing members of the system who are not elected officials.
- (3) The president of the La. Municipal Assoc.
- (4) The chairman of the Senate Committee on Retirement.
- (5) A member of the House Committee on Retirement appointed by the speaker of the House.
- (6) The commissioner of administration.
- (7) The state treasurer.

Proposed law reduces the number of trustees who are not elected officials from three to two and adds a retired member of the system. Proposed law provides that the retired membership of the system shall elect the trustee who is a retired member of the system.

Present law sets six year, staggered terms for trustees who are members of the system. Proposed law retains present law and makes it applicable to the retiree trustee.

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

House Bill 36 by Rep. Jones:

Digest:

Present law provides that when a retired member of MERS receiving normal retirement benefits becomes reemployed by a covered employer, his monthly retirement benefit and monthly earnings (collective monthly benefit) shall not exceed his monthly average compensation prior to retirement. If they do, present law requires that his retirement benefit be reduced as necessary to make his collective monthly benefit equal his monthly average final compensation. Present law further provides that reemployed retirees shall not become members of the system.

Proposed law provides that if a retired member receiving normal retirement benefits becomes reemployed in an elected position, his retirement benefit shall not be reduced, regardless of the amount of his monthly earnings during his time as an elected official. Proposed law further provides that such retirees shall not become members of the system.

Proposed law otherwise retains present law.