

MEMORANDUM

TO: Participating Employers
FROM: Maris E. LeBlanc, Executive Director
DATE: June 22, 2022
RE: 2022 Legislation

Act 248 of the 2022 Regular Session of the Louisiana Legislature, effective June 30, 2022, makes changes which impact the Municipal Employees' Retirement System (MERS). This legislation started as Senate Bill 9, authored by Senator Robert Mills, and was requested by MERS.

Act 248:

1. Limits **retroactive payment** of benefits to members eligible for retirement at termination to **60 days** prior to the date the retirement application is received. This only applies to members who are eligible for benefits at termination.
2. Allows **all participating employers**, not just municipalities, to use **conversion of leave** for retirement credit.

Participating employers that are not municipalities, as per 11:1732(14)(a), are:

- LA Municipal Association
- LA Energy and Power Authority
- Cajundome Commission
- MERS
- Planning and development commissions
- West Calcasieu Parish Community Center Authority
- Vinton Public Power Authority
- Local Tax Division of the Board of Tax Appeals
- Tax board or commission
- Firefighters' Pension and Relief Fund in New Orleans
- LA Uniform Local Sales Tax Board

Now all participating employers may make an irrevocable decision to allow their employees to convert unused leave to retirement credit. The employer pays the actuarial value of the leave to MERS and MERS increases the monthly benefit amount to the employee.

3. Changes the requirement for an actuarial **experience study** from three years to five years.
4. Allows **10%** of system funds to be maintained in **cash**, up from 1%. This change also applies to the Parochial Employees' Retirement System.
5. Removes special ethics rules as to **food and drink** that are unique to MERS. Now, MERS trustees are subject to the same Ethics Code rules for food and drink that apply to all public servants.
6. Eliminates the rule that MERS trustees may attend only one **out-of-state conference** at the expense of the system and eliminates the rule that a conference is allowed for trustees only if hosted by an association related to state retirement systems.
7. Removes requirement unique to MERS to **report expenditures** made for board members to the legislature.

House Concurrent Resolution 11, by Rep. Mike Johnson of Pineville, and 107 co-authors:

- Urges and requests all state legislatures to call upon their congressional delegation to eliminate or reduce the federal Social Security offsets known as the Windfall Elimination Provision (WEP) and Government Pension Offset (GPO);
- Urges and requests the state Attorney General to explore legal actions as to persons impacted by the WEP or GPO.

Note: Only Congress has the authority to change the WEP and GPO.