

2020 Regular Session

HOUSE BILL NO. 15

BY REPRESENTATIVE COUSSAN

RETIREMENT/LOCAL: Provides for membership of certain new hires of the Lafayette City-Parish Consolidated Government in the Parochial Employees' Retirement System of Louisiana

1 AN ACT

2 To amend and reenact R.S. 11:1753(C) and 1923(C), relative to the Municipal Employees'  
3 Retirement System of Louisiana and the Parochial Employees' Retirement System  
4 of Louisiana; to provide with respect to membership of certain employees in  
5 Lafayette; and to provide for related matters.

6 Notice of intention to introduce this Act has been published  
7 as provided by Article III, Section 13 and Article X, Section  
8 29(C) of the Constitution of Louisiana.

9 Be it enacted by the Legislature of Louisiana:

10 Section 1. R.S. 11:1753(C) and 1923(C) are hereby amended and reenacted to read  
11 as follows:

12 §1753. Membership of employees after consolidation; Terrebonne Parish; Lafayette  
13 Parish

14 \* \* \*

15 C.(1) Notwithstanding any other provision of law to the contrary, including  
16 Subsection A of this Section, any employee first employed on or after November 1,  
17 2010, and prior to November 1, 2020, by any department created by the Home Rule  
18 Charter for the Lafayette City-Parish Consolidated Government, other than

1 employees first employed by the police and fire departments who are enrolled in the  
2 Municipal Police Employees' Retirement System or the Firefighters' Retirement  
3 System, and any employee first employed on or after November 1, 2010, by the City  
4 Court of Lafayette, inclusive of the office of marshal, but exclusive of the judges of  
5 the city court, shall, as a condition of employment, become members of the  
6 Municipal Employees' Retirement System of Louisiana if they otherwise satisfy the  
7 membership eligibility requirements therefor.

8 (2)(a) Notwithstanding any other provision of law to the contrary, any  
9 employee first employed on or after November 1, 2020, by any department created  
10 by the Home Rule Charter for the Lafayette City-Parish Consolidated Government,  
11 other than employees first employed by the police and fire departments who are  
12 enrolled in the Municipal Police Employees' Retirement System or the Firefighters'  
13 Retirement System, and any employee first employed on or after November 1, 2020,  
14 by the City Court of Lafayette, inclusive of the office of marshal but exclusive of the  
15 judges of the city court, shall, as a condition of employment, become a member of  
16 the Parochial Employees' Retirement System of Louisiana if he otherwise satisfies  
17 the membership eligibility requirements therefor.

18 (b) If any position with the Lafayette City-Parish Consolidated Government  
19 covered by this system on June 30, 2020 is eliminated from system coverage after  
20 October 31, 2020, then the Lafayette City-Parish Consolidated Government shall  
21 remit that portion of the unfunded accrued liability existing on June thirtieth  
22 immediately prior to the date of elimination which is attributable to the eliminated  
23 position.

24 (c) The amount due shall be determined by the actuary employed by the  
25 system using the entry age normal funding method and shall be paid in a lump sum  
26 or amortized over ten years in equal monthly payments with interest at the system's  
27 actuarial valuation rate in the same manner as regular payroll payments to the  
28 system, at the option of the employer. The cost of this calculation shall be paid by  
29 the Lafayette City-Parish Consolidated Government.



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 DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

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HB 15 Reengrossed

2020 Regular Session

Coussan

**Abstract:** Relative to the Municipal Employees' Retirement System (MERS) and the Parochial Employees' Retirement System (PERS), provides that certain employees of the Lafayette City-Parish Consolidated Government (LCG), first employed on or after Nov. 1, 2020, shall no longer be members of MERS but shall instead be members of PERS.

Present law, relative to MERS, provides that employees of participating incorporated cities, towns, or villages in La. shall be members of MERS.

Present law, relative to PERS, provides that any permanent employee of a parish shall be a member of PERS.

Present law, relative to both MERS and PERS, provides that if the governing authorities of a municipality and a parish consolidate into one government, those members who were members of MERS at the time of consolidation shall remain members of MERS. Those people employed after such consolidation shall become members of PERS.

Present law provides that notwithstanding present law, any employee of the LCG first employed on or after Nov. 1, 2010, who is in a department created by the LCG Home Rule Charter, except for police and firefighters, shall become a member of PERS. Present law also includes certain employees of the city court.

Proposed law, applicable to the same groups of Lafayette employees, provides that those hired on or after Nov. 1, 2020, shall become members of PERS instead of MERS.

Proposed law requires the LCG to remit payments to cover the unfunded accrued liability for each position covered by MERS on June 30, 2020, that is eliminated from system coverage after Oct. 30, 2020.

(Amends R.S. 11:1753(C) and 1923(C))

Summary of Amendments Adopted by House

The House Floor Amendments to the engrossed bill:

1. Require the Lafayette City-Parish Consolidated Government to remit payments to cover the unfunded accrued liability associated with each position covered by MERS that is eliminated from system coverage after Oct. 30, 2020.