DIGEST

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HB 15 Engrossed

2024 Regular Session

Fontenot

Abstract: Provides for reemployment of retirees of the Municipal Police Employees' Retirement System (MPERS) who meet certain criteria; provides for membership in the system and termination of membership; provides for retirement eligibility.

<u>Present law</u> provides that various classes of employees are members of the retirement system. Provides that a person who is not a police officer but who is employed on a full-time basis by a police department and under the direction of a chief of police is an "employee". <u>Proposed law</u> provides that a person who was employed in such a position and a member of another municipal retirement system on March 5, 2023, is *not* an "employee".

<u>Proposed law</u> provides for the definition of "employee" within the Baton Rouge Police Dept. Provides the definition of "law enforcement employee" to mean any person occupying a position within a class title that was included in the membership of the system on the effective date of the merger between the City-Parish Employees' Retirement System and MPERS.

<u>Proposed law</u> provides that a member of MPERS who is elected to a position and becomes eligible to join another retirement system may terminate his membership in MPERS upon enrollment in the other retirement system. Requires the member to file a notice with the board of trustees and that employee and employer contributions to the system cease upon receipt of notice. Provides that the former member may apply for retirement from MPERS after termination in the system.

Present law provides for the eligibility for retirement for members within MPERS.

<u>Present law</u> requires suspension of the retirement benefit of an MPERS retiree who returns to employment in a position covered by MPERS and provides that such a reemployed retiree earns additional service credit during reemployment. Exempts certain retirees who are reemployed in part-time positions.

<u>Proposed law</u> provides that the benefit of a member who retires between July 1, 2024, and June 30, 2026, is not suspended if he irrevocably elects to earn no additional service credit or accrue any additional retirement benefit.

<u>Proposed law</u> exempts, except for the first 60 days after his retirement, a retiree who meets the following criteria from the requirement for benefit suspension:

(1) He has attained age 55.

- (2) He has 20 or more years of service credit.
- (3) He has 25 or more years of service credit at any age.
- (4) He is employed as a full-time police officer empowered to make arrests.

<u>Proposed law</u> for both groups of retirees exempt from benefit suspension, provides the employee and employer pay contributions to the system during the reemployment period. Provides the employee, upon application, can be refunded their contribution without interest. Provides MPERS retains the employer contributions paid during the reemployment period.

Proposed law provides a member may retire if he meets the following:

- (1) He attained age 62.
- (2) He has seven years or more of service credit.
- (3) He is not eligible to retire under <u>present law</u> but is an elected a chief of police subject to term limits.

<u>Proposed law</u> requires the member to submit sufficient documentation to the board of trustees and irrevocably elect to receive no additional service credit or accrue any additional retirement benefit. Provides that during reemployment employee and employer contributions are paid to the system. Provides that upon termination of reemployment, employee contributions are refunded to the member without interest and employer contribution are retained by the retirement system.

(Amends R.S. 11:2220(A)(2)(a); Adds R.S. 11:2213(11)(i) and (j), 2214.1, 2220(A)(4), and 2241.4(A)(4))

Summary of Amendments Adopted by House

The Committee Amendments Proposed by House Committee on Retirement to the original bill:

- 1. Provisions regarding the definition of "employee" that are applicable to the Baton Rouge Police Dept. and to a person who was in another retirement system on March 5, 2023.
- 2. Provisions for termination of membership by an elected official who is eligible for membership in another retirement system.
- 3. Provisions regarding suspension of benefits for a reemployed retiree who retires between July 1, 2024, and June 30, 2026, and for retirees who retire with 25 years of service credit.
- 4. Provisions regarding retirement eligibility of certain police chiefs subject to term limits.