

1 due by the employer attributable to any subsequent withdrawal that occurs within
 2 fifteen years of the payments.

3 C.

4 * * *

5 (2) Notwithstanding any other provision of law to the contrary, the board of
 6 trustees shall not collect any payments due from an employer for any partial
 7 dissolution that occurred prior to ~~July 1, 2018~~. July 1, 2025.

8 D. ~~For the purposes of this Section, the following terms shall have the~~
 9 ~~following meanings:~~

10 (1) ~~"Participating employee" shall mean an active member or participant in~~
 11 ~~the Deferred Retirement Option Plan.~~

12 (2) ~~"Withdrawal" shall mean the dissolution or partial dissolution of a police~~
 13 ~~department as described in Subsection A of this Section. For the purposes of this~~
 14 ~~Section, the unfunded accrued liability shall be determined using the level percentage~~
 15 ~~of payroll entry age normal actuarial accrued liability.~~

16 * * *

17 §2262.1. Dissolution of fire department; unfunded accrued liability; payment by
 18 employer

19 A.(1)(a) If an employer fully dissolves its fire department, the employer shall
 20 remit to the system, beginning the first July immediately following the date of
 21 dissolution, that portion of the unfunded accrued liability existing on the thirtieth of
 22 June immediately prior to the date of dissolution of the fire department that is
 23 attributable to such employer and calculated using the allocation percentage included
 24 in the prior fiscal year's employer pension report produced according to requirements
 25 established by the Governmental Accounting Standards Board. The amount due
 26 pursuant to the provisions of this Paragraph shall include interest at the system's
 27 valuation interest rate.

28 (b) For the purposes of this Section, the actuary employed by the system may
 29 make adjustments to the allocation percentages included in the employer pension
 30 report for the prior fiscal year based on additional information.

31 (2)(a) If an employer partially dissolves its fire department during a fiscal
 32 year, the employer shall be liable for a pro rata portion of the system's unfunded
 33 accrued liability. The portion shall be calculated by ~~applying the percentage~~
 34 ~~decrease in the salaries paid to participating employees by the employer on the~~
 35 ~~thirtieth of June and salaries paid to participating employees by the employer as of~~
 36 ~~the thirtieth of June of the prior year to~~ multiplying the total payment that would
 37 have been required pursuant to the provisions of Paragraph (1) of this Subsection if
 38 ~~the employer had fully dissolved its fire department. Payments required pursuant to~~
 39 ~~the provisions of this Paragraph shall include interest at the system's valuation~~
 40 ~~interest rate.~~ by the ratio of the difference between the fiscal year's base employee
 41 count and the fiscal year's participating employee count to the prior fiscal year's
 42 participating employee count. Payments required pursuant to the provisions of this
 43 Paragraph shall include interest at the system's valuation interest rate.

44 (b) An employer shall be deemed to have partially dissolved its fire
 45 department if either of the following occurs:

46 (i) ~~The number of participating employees of the employer~~ participating
 47 employer count as of the thirtieth of June is less than seventy percent of the base
 48 employee count rounded down to the nearest whole number, and the difference
 49 between the base employee count and the participating employee count is at least
 50 three ~~number of participating employees of the employer on the thirtieth of June of~~

1 the prior year and either the number of participating employees decreases by at least
2 three or the number of participating employees is zero.

3 (ii) ~~The number of participating employees of the employer as of the thirtieth~~
4 ~~of June employee count~~ is at least fifty fewer than the ~~number of participating~~
5 ~~employees of the employer as of the thirtieth of June of the prior year.~~ base employee
6 count.

7 B.(1) Any amount due pursuant to Subsection A of this Section shall be
8 determined by the actuary employed by the system and shall be amortized over
9 fifteen years in equal payments with interest at the system's valuation rate. ~~Payments~~
10 Any payments for withdrawals that occur on or after July 1, 2021, shall be payable
11 beginning the first of July of the second fiscal year following the determination by
12 the actuary ~~and if such determination occurs prior to June 30, 2024, or beginning~~
13 July first of the third fiscal year following the determination by the actuary if such
14 determination occurs on or after June 30, 2024. Such payments shall be payable in
15 the same manner as regular payroll payments to the system. Beginning on the first
16 of July of the fiscal year following withdrawal, interest shall accrue at the system's
17 actuarial valuation rate, compounded annually.

18 (2)(a) ~~If the number of participating employees participating employee count~~
19 ~~of an employer subject to Paragraph (A)(2) of this Section returns to at least the~~
20 ~~number of participating employees as of the thirtieth of June immediately preceding~~
21 ~~the withdrawal,~~ base employee count for the fiscal year of partial dissolution, the
22 payments required by this Section shall cease on the first of July following the
23 determination by the actuary that a sufficient increase in participating employees has
24 occurred, and no further payments shall be due with respect to the ~~withdrawal.~~ partial
25 dissolution. Any payments made pursuant to ~~this Section~~ that partial dissolution
26 shall be credited as an offset of any amounts due by the employer attributable to any
27 subsequent withdrawal that occurs partial dissolution occurring after the fiscal year
28 of the sufficient increase in participating employees but within fifteen years of the
29 payments.

30 (b) Each fiscal year, for each employer subject to Paragraph (A)(2) of this
31 Section for which a payment remains due in the following fiscal year, the system's
32 actuary shall review the participating employee count for the employer for the prior
33 fiscal year. Beginning July first for the fiscal year following the actuary's review,
34 the payments determined according to Paragraph (B)(1) of this Section shall be
35 proportionately adjusted based on the participating employee count for the employer
36 for the prior fiscal year. Such adjustments shall not cause the proportional payment
37 to exceed the payment initially determined for the partial dissolution.

38 * * *

39 D. For the purposes of this Section, the following terms shall ~~mean~~ have the
40 following meanings:

41 * * *

42 (3) "Participating employee count" for an employer for a fiscal year shall
43 mean the number of participating employees as of June thirtieth of that fiscal year.

44 (4) "Base employee count" for an employer for a fiscal year shall mean the
45 number of participating employees as of June thirtieth of the prior fiscal year unless
46 the employer has partially dissolved in one or more of the prior fifteen fiscal years
47 and payments remain due for at least one such partial dissolution. In that case, the
48 base employee count for an employer for a fiscal year shall be the lesser of the
49 smallest participating employee count from such prior partial dissolution or the
50 number of the participating employees as of the June thirtieth of the prior fiscal year.

51 E. For the purposes of this Section, the unfunded accrued liability shall be
52 determined using the level percentage of payroll entry age normal actuarial accrued
53 liability."

1 AMENDMENT NO. 7

- 2 On page 5, line 4, after "Section 2." delete "R.S. 11:2225.4(A)(2)(a) and (b) are hereby
3 repealed in their" and insert "R.S. 11:2225.4(A)(2) is hereby repealed in its"