The original instrument and the following digest, which constitutes no part of the legislative instrument, were prepared by Margaret M. Corley.

DIGEST

SB 533 Original

2018 Regular Session

Milkovich

<u>Present law</u> provides that, in lieu of terminating employment and accepting retirement benefits, any member of the Firefighters' Retirement System (FRS) who has at least 20 years of creditable service and who is eligible to receive retirement benefits may elect to participate in the Deferred Retirement Option Plan (DROP) and defer the receipt of benefits.

<u>Present law</u> provides that, upon commencement of DROP participation, membership in FRS ceases and neither employee nor employer contributions are payable to FRS.

Proposed law retains present law.

<u>Present law</u> provides that a member's duration of participation in DROP may not exceed three years. <u>Proposed law</u> retains <u>present law</u> for members with less than 27 years of service. <u>Proposed law</u> further provides that for members with 27 or more years of service, the period of DROP participation may not exceed five years.

<u>Proposed law</u> authorizes any person who has 27 or more years of creditable service and who is participating in DROP on the effective date of <u>proposed law</u> to extend his period of participation up to the five years provided for in <u>proposed law</u>.

Effective June 30, 2018.

(Amends R.S. 11:2257(C))