DIGEST

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St. Germain HB No. 352

Abstract: Changes the sunset date on a Firefighters' Retirement System (FRS) member's option to convert from regular to disability retirement so as to retain the option for an additional five years.

Present law authorizes the FRS board of trustees to award disability benefits to eligible members who have been officially certified as disabled by the State Medical Disability Board.

Present law provides that a retired member or a Deferred Retirement Option Plan (DROP) participant who becomes disabled for any reason is permitted to apply for conversion of a service retirement to a service connected disability retirement.

Present law provides that in order to receive a service connected disability retirement, the applicant must demonstrate by clear and convincing evidence that the conditions causing the disability occurred during active employment as a firefighter, even though the actual physical disability may not have become manifest until after the effective date of either commencement of participation in DROP or commencement of retirement.

Present law provides that the actuarial cost of any service connected disability benefit granted to a person may not exceed the actuarial cost of the same person's service retirement and that any option selected with regard to the receipt of his service retirement shall not change.

Present law provides that the authority of a DROP participant to convert from a service retirement to a service connected disability retirement "sunsets" on July 1, 2011. Proposed law changes the sunset date from July 1, 2011 to July 1, 2016.

Present law requires the Public Retirement Systems' Actuarial Committee to publish a report as part of the actuarial valuation of the system which includes the results of a study of the actuarial impact of all such conversions occurring between July 1, 2001 and July 1, 2006, and between July 1, 2006 and July 1, 2011. Proposed law requires an additional study for the five years between July 1, 2011 and July 30, 2016.

Effective July 1, 2011.

(Amends R.S. 11:2258(B)(2)(d))