

2018 Regular Session

HOUSE BILL NO. 33

BY REPRESENTATIVE PEARSON

1 AN ACT

2 To amend and reenact R.S. 11:1733(F)(1) and (2), relative to participating employers of the
3 Municipal Employees' Retirement System of Louisiana; to provide for payment of
4 unfunded accrued liability attributable to an employer's termination of a participation
5 agreement or to privatizing positions covered by the system; to provide for standards
6 used in calculating unfunded accrued liability; and to provide for related matters.

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

10 Be it enacted by the Legislature of Louisiana:

11 Section 1. R.S. 11:1733(F)(1) and (2) are hereby amended and reenacted to read as
12 follows:

13 §1733. Agreement for coverage of employees of incorporated cities, towns, and
14 villages

15 * * *

16 F.(1)(a) Notwithstanding any other provision of law, if an employer
17 terminates its agreement for coverage of its employees, the employer shall remit that
18 portion of the ~~unamortized frozen~~ unfunded accrued liability existing on June
19 thirtieth immediately prior to the date of termination which is attributable to the
20 employer's participation in the system.

21 (b) Notwithstanding any other provision of law, if an employer eliminates
22 an employee position or class of positions covered by this system by contracting with

1 a private entity for the work formerly done by employees in eliminated positions, the
2 employer shall remit that portion of the unfunded accrued liability existing on June
3 thirtieth immediately prior to the date of privatization which is attributable to the
4 eliminated position or class of positions.

5 (2) The amount due shall be determined by the actuary employed by the
6 system using the entry age normal funding method and shall either be paid in a lump
7 sum or amortized over ten years in equal monthly payments with interest at the
8 system's actuarial valuation rate in the same manner as regular payroll payments to
9 the system, at the option of the employer.

10 * * *

11 Section 2. This Act shall become effective on July 1, 2018; if vetoed by the governor
12 and subsequently approved by the legislature, this Act shall become effective on July 1,
13 2018, or on the day following such approval by the legislature, whichever is later.

SPEAKER OF THE HOUSE OF REPRESENTATIVES

PRESIDENT OF THE SENATE

GOVERNOR OF THE STATE OF LOUISIANA

APPROVED: _____