
DIGEST

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HB 21 Engrossed

2020 Regular Session

Bacala

Abstract: Makes various changes to provisions applicable to the Municipal Police Employees' Retirement System (MPERS).

Present law provides that an elected police chief is a member of the system if his salary is at least \$100 per month. Proposed law increases the salary threshold for elected police chief membership to \$1,000 per month.

Proposed law provides that a person who retires from MPERS after June 30, 2021, and then becomes a full-time employee of a police department is a member of the system.

Present law defines employer as a municipality that employs a full-time police officer at a salary of at least \$100 per month. Proposed law increases the salary threshold for this definition to \$1000 per month.

Present law provides for membership in MPERS. Provides that a person who is 50 years old or older does not become a member upon employment. Proposed law removes the age restriction for persons hired on or after July 1, 2021.

Present law requires an employee to receive a physical examination before he becomes a member. Requires submission of the examination and waivers of preexisting conditions to the retirement system within six months after employment. Provides that a member who does not timely submit these documents is a member for purposes of receiving regular benefits but is not eligible for disability benefits until the documents are submitted.

Proposed law provides that a person hired after June 30, 2021, who has not timely submitted the documents is a member eligible to begin vesting for regular benefits but is not eligible to begin vesting for disability benefits for an injury not incurred in the line of duty.

Proposed law requires completion of a new physical examination if the employee has a break in service longer than one year. Provides that if a physical examination is not completed because the employer refused to pay for the physical examination, the employer is liable for any disability benefit to which the member would be entitled.

Present law provides that a person ceases to be a member of the system if he is absent from service for more than five years and is not entitled to a deferred annuity as provided for by present law. Proposed law limits the applicability of this provision to persons whose five-year absence is

complete prior to July 1, 2021.

Present law provides for payment of retirement benefits to a surviving spouse. Provides that such benefits cease if the spouse remarries before age 60. Proposed law reduces that age to 55 and requires a surviving spouse under the age of 55 to annually document his marital status.

Proposed law provides for the payment of survivor benefits to a special needs trust created for a disabled child. Requires claims for survivor benefits or refunds of accumulated contributions to be filed within three years of the death.

Proposed law provides for a suspension of retirement benefits of certain persons who retire after July 1, 2021, and return to work covered by MPERS.

Proposed law requires the board of trustees to use all reasonable means to collect benefits paid by the system to an individual who was not due the benefit. Provides for prescriptive periods on such collections. Authorizes withholdings from future benefits to collect such overpayments.

Proposed law authorizes a member who transfers service credit from another plan to pay to upgrade such service credit.

Proposed law provides as follows relative to disability retirements from MPERS:

- (1) Requires that claims for disability benefits be filed within one year from the date of disability.
- (2) Requires the system to pay for any medical examination that it requires to determine continued eligibility for a disability retirement benefit.

Proposed law limits the ability of a member who is married under a community property regime to exclude his spouse from his retirement benefits without the spouse's consent.

Present law provides for survivor benefits for a member who has at least 10 years of service credit. Proposed law provides if the member is killed in the line of duty, the 10 years of service requirement is not applicable.

Effective July 1, 2020.

(Amends R.S. 11:2213(11)(b) and (12), 2214(A)(2)(a) and (d)(ii) and (B), 2220(B)(1)(a)(i) and (2)(d), 2223(F), 2241.4, 2241.8(1)(a), and 2242.8(1)(a); Adds R.S. 11:2213(11)(h), (12.1), and (21.1), 2214(A)(2)(d)(iv) and (v), 2220(B)(2)(e) and (6) and (J), (K), and (L), 2223(A)(3) and (G), 2224(G) and (H), 2241.8(5), and 2242.8(5); Repeals R.S. 11:2219)

Summary of Amendments Adopted by House

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

1. Add changes to definitions of employee and employer.
2. Change deadline for application for survivor benefits from one year to three years after death.
3. Provide for suspension of retirement benefits of certain members who retire after July 1, 2021, and return to work rather than the reduction of retirement benefits for retirees who return to work.
4. Add authorization for withholdings from future benefits to recover benefits that were paid to persons to whom they were not due.
5. Add provision allowing a member who transfers service credit to pay for an upgrade in such service credit.