

2024 Regular Session

SENATE BILL NO. 412

BY SENATOR SEABAUGH

MUNICIPAL POL EMPS RET. Provides relative to the board of trustees of the Municipal Police Employees' Retirement System. (6/30/24)

1 AN ACT

2 To amend and reenact R.S. 11:2225(A)(2)(a) and 2227(D)(2), relative to the Municipal
3 Police Employees' Retirement System; to provide for the composition of the board
4 of trustees of the system; to provide relative to collection of delinquent payments;
5 to provide for an effective date; and to provide for related matters.

6 Notice of intention to introduce this Act has been published.

7 Be it enacted by the Legislature of Louisiana:

8 Section 1. R.S. 11:2225(A)(2)(a) and 2227(D)(2) are hereby amended and reenacted
9 to read as follows:

10 §2225. Administration

11 A.

12 * * *

13 (2)(a) The board shall consist of ~~fifteen~~ **nineteen** trustees as follows: Seven
14 members, three of whom shall not be chiefs of police but shall be active contributing
15 members of the system with ten or more years of creditable service, and four of
16 whom shall be active contributing chiefs of police, with four or more years of
17 creditable service provided that no municipal police department shall have more than

1 one member and one chief of police on the board at the same time; two regular
 2 retirees of the system, one retired from Chiefs District I and one retired from Chiefs
 3 District II as those districts are comprised in Subparagraphs (b) and (c) of this
 4 Paragraph; three ex officio trustees to include the chairman of the Senate Committee
 5 on Retirement or his designee, the commissioner of administration or his designee,
 6 and the state treasurer or his designee; a member of the House Committee on
 7 Retirement appointed by the speaker of the House of Representatives or the
 8 member's designee; and ~~two~~ **six** mayors appointed by the Louisiana Municipal
 9 Association from municipalities having police departments participating in the
 10 system, to serve at the pleasure of the Louisiana Municipal Association. The retired
 11 trustees shall be elected by the retired members of the system for a term of five years
 12 with the first retired trustees' terms to commence on July 1, 1997. Whenever the term
 13 of a board member expires, the term of the newly elected board member shall be for
 14 a term of five years. The director of the retirement system shall be selected by the
 15 board of trustees. Election of members shall be under such rules and regulations as
 16 the board of trustees shall establish.

* * *

18 §2227. Method of financing

* * *

20 D. Pension accumulation fund:

21 The pension accumulation fund shall be the fund in which shall be
 22 accumulated all reserves for the payment of all pension and benefits payable from
 23 contributions made by employers. Contributions to and payments from the pension
 24 accumulation fund shall be made as follows:

* * *

26 (2) Delinquent payments due under ~~R.S. 11:2227(B)(1) and 2227(D)(1)~~
 27 **Paragraph (B)(1) or (D)(1) of this Section** may be recovered through ~~either of the~~
 28 following actions:

29 **(a) Through an action initiated in a court of competent jurisdiction**

1 against the political subdivision or instrumentality liable therefor together with
 2 interest charged at the legal rate computed from the date the payment became
 3 delinquent. Any action instituted by the retirement system or its board of
 4 trustees against any employer or member included in the system to recover
 5 delinquent payments or damages associated with delinquent payments is subject
 6 to a liberative prescription of three years and is subject to the provisions of the
 7 Louisiana Governmental Claims Act.

8 ~~(a)~~**(b)** Upon ~~certification~~ **presentation** to the state treasurer and written
 9 notice to the municipality by the director that a municipality's monthly report and
 10 payment of contributions is delinquent, **of a final judgment from a court of**
 11 **competent jurisdiction**, the state treasurer shall deduct the amount of the delinquent
 12 contributions **in the judgment** from any monies then available for distribution to or
 13 for the benefit of that municipality and shall transmit said amount directly to the
 14 board of trustees of the retirement system. Upon making such a deduction, the state
 15 treasurer shall immediately notify the municipality that the deduction has been made
 16 and that the funds available for distribution to it are reduced accordingly. In like
 17 manner, the director of the system, upon receipt of said funds, shall credit such funds
 18 to the proper account affected thereby and shall notify the municipality thereof~~;~~ **or**.

19 ~~(b)~~ Through an action initiated in a court of competent jurisdiction against
 20 the political subdivision or instrumentality liable therefor together with interest
 21 charged at the legal rate computed from the date the payment became delinquent.

22 * * *

23 Section 2. This Act shall become effective on June 30, 2024; if vetoed by the
 24 governor and subsequently approved by the legislature, this Act shall become effective on
 25 June 30, 2024, or on the day following such approval by the legislature, whichever is later.

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

DIGEST

SB 412 Original 2024 Regular Session Seabaugh

Present law provides that the MPERS board of trustees is composed of 15 members as

follows:

- (1) Three active contributing members of the system with 10 or more years of service credit.
- (2) Four active contributing chiefs of police with four or more years of service credit.
- (3) Two regular retirees of the system.
- (4) The chairman of the Senate Committee on Retirement or his designee.
- (5) The commissioner of administration or his designee.
- (6) The state treasurer or his designee.
- (7) A member of the House Committee on Retirement appointed by the speaker.
- (8) Two mayors appointed by the La. Municipal Assoc. (LMA).

Proposed law increases membership to 19 members by adding four additional mayors appointed by the LMA.

Present law provides legal procedures by which MPERS collects delinquent payments. Provides for the treasurer to withhold certain funds otherwise owed to a municipality in order to satisfy the municipality's delinquent payments.

Proposed law retains present law and provides that any action instituted by the retirement system to recover delinquent payments or damages associated with delinquent payments is subject to a liberative prescription of three years and is subject to the La. Governmental Claims Act.

Effective June 30, 2024.

(Amends R.S. 11:2225(A)(2)(a) and 2227(D)(2))