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## DIGEST

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### CONFERENCE COMMITTEE REPORT DIGEST

HB 40

2016 Regular Session

Reynolds

#### Keyword and oneliner of the instrument as it left the House

RETIREMENT/MUNICIPAL EMP: Provides relative to the reemployment of retirees in the Municipal Employees' Retirement System

#### Report adopts Senate amendments to:

1. Include in statutory provision, rather than implementation provision, that for retired members first reemployed on or after July 1, 2016, both the member and the employer shall make contributions to the retirement system.

#### Report amends the bill to:

1. Maintain present law that retired members who are reemployed are not members of the system.

#### Digest of the bill as proposed by the Conference Committee

Present law provides that during a period of reemployment of a retiree of the Municipal Employees' Retirement System (MERS), his employment income plus his retirement benefit may not exceed his final average compensation; if it does, his retirement benefit is reduced by the excess amount. Proposed law retains present law.

Present law provides that during such period of reemployment, the employee is not a member of the system. Proposed law maintains this provision.

Proposed law requires that during the period of reemployment, the retiree and his employer make contributions to the retirement system. Provides, however, that the retiree shall not receive additional service credit or accrue additional benefits in the retirement system. Proposed law further provides that upon termination of reemployment, employee contributions shall be refunded to the retiree without interest and provides that the retirement system retains the employer contributions and interest. Proposed law provides that proposed law relative to contributions to the system is

applicable to a retiree who is first reemployed on or after July 1, 2016.

Effective upon signature of governor or lapse of time for gubernatorial action.

(Amends R.S. 11:1762(A) and (B))