

RÉSUMÉ DIGEST**ACT 424 (HB 53)****2016 Regular Session****Foil**

Existing law authorizes a member of the Parochial Employees' Retirement System (PERS) to continue in employment once his Deferred Retirement Option Plan (DROP) participation period ends. Provides that the member's account balance at the end of his DROP participation period shall be placed in liquid asset money market investments selected by the board of trustees.

Prior law authorized interest to be credited to the member at the actual rate of return earned on the account balances. Prior law further provided that after the DROP participation period ended, the member could transfer his balance to a self-directed money market account with a third-party provider.

New law requires interest to be credited annually using the preceding 12-month average of interest paid by the custodial bank's prime money market institutional shares fund.

Effective upon signature of governor (June 9, 2016).

(Amends R.S. 11:1938(F)(2))