

2018 Regular Session

HOUSE BILL NO. 33

BY REPRESENTATIVE PEARSON

RETIREMENT/MUNICIPAL EMP: Provides for the payment of unfunded accrued liability by employers eliminating positions covered by the Municipal Employees' Retirement System of Louisiana

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 privatizing positions covered by the
5 system; to provide for standards used in calculating unfunded accrued liability; and
6 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

manner as regular payroll payments to the system, at the option of the employer. Proposed law requires that the actuary use applicable actuarial standards of practice in calculating the amount due.

Proposed law further requires that if an employer eliminates an employee position or class of positions by contracting with a private entity for the work, the employer shall remit that portion of the unamortized frozen unfunded accrued liability existing on June 30th immediately prior to the date of privatization which is attributable to the eliminated position or class of positions. The portion of the unfunded accrued liability shall be calculated and paid as provided by present law.

Effective July 1, 2018.

(Amends R.S. 11:1733(F)(1) and (2))