

2018 Regular Session

HOUSE BILL NO. 28

BY REPRESENTATIVE PEARSON

RETIREMENT/MUNICIPAL EMP: Provides for the vesting period for members of the Municipal Employees' Retirement System of Louisiana

1 AN ACT

2 To amend and reenact R.S. 11:1760(A)(introductory paragraph) and to enact R.S. 11:1789.6
3 and 1808.6, relative to members of the Tier 2 plans of the Municipal Employees'
4 Retirement System of Louisiana; to provide for the vesting period of such members;
5 and to provide for related matters.

6 Notice of intention to introduce this Act has been published
7 as provided by Article X, Section 29(C) of the Constitution
8 of Louisiana.

9 Be it enacted by the Legislature of Louisiana:

10 Section 1. R.S. 11:1760(A)(introductory paragraph) is hereby amended and
11 reenacted and R.S. 11:1789.6 and 1808.6 are hereby enacted to read as follows:

12 §1760. Vesting

13 A. ~~A~~ Except as provided in R.S. 11:1789.6 or 1808.6, a member who
14 withdraws from active service on or after the revision date prior to becoming eligible
15 for retirement, having at least ten years of creditable service, and having received no
16 refund of his accumulated contributions, shall be entitled to receive a retirement
17 allowance to commence on his earliest normal retirement date.

18 * * *

1 Section 2. This Act shall become effective on July 1, 2018; if vetoed by the governor
2 and subsequently approved by the legislature, this Act shall become effective on July 1,
3 2018, or on the day following such approval by the legislature, whichever is later.

DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

HB 28 Engrossed

2018 Regular Session

Pearson

Abstract: Reduces the vesting period for Tier 2 members of the Municipal Employees' Retirement System of La. (MERS) from 10 years to seven years.

Present law provides for two plans within MERS: Plan A and Plan B. Further provides for subplans within each plan: Tier 1 and Tier 2. The Tier 2 subplans of Plan A and Plan B apply to members whose first employment making them eligible for membership in MERS occurred on or after Jan. 1, 2013.

Present law provides that a member of MERS Plan A or B who withdraws from active service prior to becoming eligible for retirement, who has at least 10 years of creditable service (the vesting period), and who has received no refund of his accumulated contributions, shall receive a retirement allowance beginning on his earliest normal retirement date.

Proposed law reduces the vesting period for a Tier 2 member of MERS Plan A or B from 10 years to seven years.

Effective July 1, 2018.

(Amends R.S. 11:1760(A)(intro. para.); Adds R.S. 11:1789.6 and 1808.6)