
DIGEST

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HB 32 Reengrossed

2018 Regular Session

Pearson

Abstract: Extends a Municipal Employees' Retirement System of La. (MERS) member's Deferred Retirement Option Plan (DROP) participation period and suspends benefit payments if employer contributions are suspended due to an interruption of service.

Present law allows a MERS member eligible for retirement to terminate active membership in MERS, enter into DROP, and have his regular retirement benefit payments paid into an account maintained by MERS. The duration of participation in DROP shall be specified and shall not exceed three years.

Proposed law provides that if employer contributions on behalf of a DROP participant are suspended during the participation period as a result of interruption of employment, benefit payments into the participant's DROP account shall be suspended and the member's participation period shall be extended by the number of months his benefit payments were suspended; however, participation shall not exceed 36 nonconsecutive months.

Effective July 1, 2018.

(Amends R.S. 11:1763(C)(1) and (E))

Summary of Amendments Adopted by House

The House Floor Amendments to the engrossed bill:

1. Provide that the 36 month participation maximum may be nonconsecutive months.