

## RÉSUMÉ DIGEST

ACT 112 (HB 33)

2018 Regular Session

Pearson

Existing law requires each incorporated city, town, or village seeking participation in the Municipal Employees' Retirement System of Louisiana (MERS) to submit an agreement of coverage for extending benefits to its employees. Existing law requires an employer that terminates the agreement of coverage to remit to MERS the portion of the unfunded accrued liability that existed on June 30th immediately prior to the date of termination that is attributable to the employer's participation in the system.

New law requires an employer that eliminates an employee position or class of positions by contracting with a private entity for the work to remit to MERS that portion of the unfunded accrued liability that existed on June 30th immediately prior to the date of privatization that is attributable to the eliminated position or class of positions.

Prior law required remittance of the appropriate portion of the "unamortized frozen" unfunded liability. New law requires remittance of the appropriate portion of the total unfunded liability.

Existing law requires the actuary employed by the system to determine the amount due. New law requires that the actuary use the entry age normal funding method to calculate the amount owed.

Effective July 1, 2018.

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