2022 Regular Session

HOUSE BILL NO. 18

BY REPRESENTATIVE BACALA

RETIREMENT/MUNICIPAL POL: Provides relative to the reemployment of retired members of the Municipal Police Employees' Retirement System

1	AN ACT
2	To amend and reenact R.S. 11:2220(J)(1) and enact R.S. 11:2220(J)(4), relative to the
3	Municipal Police Employees' Retirement System; to provide relative to
4	reemployment of retirees in the system; to provide for the payment of retirement
5	benefits during reemployment; to provide for compensation and contributions during
6	reemployment; and 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. 11:2220(J)(1) is hereby amended and reenacted and R.S.
12	11:2220(J)(4) is hereby enacted to read as follows:
13	§2220. Benefits; contribution limit
14	* * *
15	J.(1)(a) The Except as provided in Paragraph (4) of this Subsection, the
16	benefits of any retiree of this system who retires on or after July 1, 2021, and
17	becomes employed by an employer but does not meet the definition of an employee
18	within the twenty-four twelve-month period immediately following the effective date
19	of his retirement shall be suspended for the duration of such employment or the lapse
20	of twenty-four twelve months from the effective date of retirement, whichever occurs

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CODING: Words in struck through type are deletions from existing law; words <u>underscored</u> are additions.

1	first, even if such service is part-time, based on employment by contract, or in a non-
2	qualifying position.
3	(b) Notwithstanding any provisions of this Subsection that authorizes
4	payment of retirement benefits to a retiree of this system who is reemployed under
5	the conditions specified in Subparagraph (a) of this Paragraph, no such reemployed
6	retiree shall receive a retirement benefit during the sixty-day period following the
7	effective date of his retirement.
8	* * *
9	(4)(a) The benefits of a retiree of this system who is reemployed under the
10	conditions specified in Subparagraph (1)(a) of this Subsection shall not be suspended
11	for employment as either a police officer for not more than fifty hours per month or
12	as an elected official other than a chief of police. Except as provided in
13	Subparagraph (b) of this Paragraph, during such reemployment, the retiree and his
14	employer shall make contributions to the retirement system as provided by this
15	Chapter, but the retiree shall receive no additional service credit and shall not accrue
16	any additional retirement benefit in the retirement system. Upon termination of
17	reemployment, employee contributions paid since reemployment shall, upon
18	application, be refunded to the retiree without interest. The retirement system shall
19	retain the employer contributions and interest on contributions.
20	(b) Employer and employee contributions to this system are not required for
21	a retiree reemployed as an elected official if the position is covered by another
22	Louisiana retirement system and contributions are being made to that system.
23	* * *

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)]

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Abstract: Provides for the reemployment of certain retirees into the Municipal Police Employees' Retirement System (MPERS).

Present law provides relative to MPERS retirees who return to work covered by the system.

<u>Present law</u>, generally applicable to full-time reemployment, provides that if the retiree becomes an employee, payment of retirement benefits is suspended and the employee and employer contribute to the system toward creditable service. Upon termination of post-retirement employment, the retiree shall receive an additional retirement benefit based on his additional service.

Proposed law retains present law.

<u>Present law</u>, generally applicable to other reemployment including contract and part-time employment, provides that the retirement benefit of a retiree who returns to work for an employer in the system is suspended during any such employment that occurs within 24 months of the person's retirement.

<u>Proposed law</u> reduces the period during which benefits are suspended to 12 months.

<u>Proposed law</u> further provides that this required suspension does not apply to employment as a police officer for not more than 50 hours per month or as an elected official other than a police chief. <u>Proposed law</u> requires payment of employer and employee contributions to the system during such employment except for an elected official who is a member of another retirement system. Provides for a refund of the employee contributions.

<u>Proposed law</u> requires a suspension of retirement benefits during the first 60 days after retirement even for those otherwise exempted from the suspension required by <u>present law</u>.

(Amends R.S. 11:2220(J)(1); Adds R.S. 11:2220(J)(4))

Summary of Amendments Adopted by House

- The Committee Amendments Proposed by <u>House Committee on Retirement</u> to the <u>original</u> bill:
- 1. Delete <u>proposed law</u> exception from required benefit suspension for employees with more than 30 years of service.
- 2. Reduce the period during which suspension of benefits is required from 24 months to 12 months.
- 3. Reduce the number of hours a reemployed employee can work without a suspension in benefits from 100 to 50.