

HOUSE COMMITTEE AMENDMENTS

2024 Regular Session

Substitute for Original House Bill No. 42 by Representative Firment as proposed by the House Committee on Retirement

This document reflects the content of a substitute bill but is not in a bill form; page numbers in this document DO NOT correspond to page numbers in the substitute bill itself.

To amend and reenact R.S. 11:2227(D)(1)(a) and to enact R.S. 11:2227(J)(3) and (K), relative to the Municipal Police Employees' Retirement System; to provide relative to collection of delinquent payments; to provide relative to prescription; to provide for effective date; and to provide for related matters.

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

Be it enacted by the Legislature of Louisiana:

Section 1. R.S. 11:2227(D)(1)(a) is hereby amended and reenacted and R.S. 11:2227(J)(3) and (K) are hereby enacted to read as follows:

§2227. Method of financing

D. Pension accumulation fund:

The pension accumulation fund shall be the fund in which shall be accumulated all reserves for the payment of all pension and benefits payable from contributions made by employers. Contributions to and payments from the pension accumulation fund shall be made as follows:

(1)(a) In addition to the assessment collected above, each municipality which has employees ~~on its police force~~ who become ~~members~~ eligible for membership in this retirement system and have not elected under R.S. 11:157 to not be a member shall contribute the employer contribution rate as determined in R.S. 11:103, and shall remit this amount monthly to the system.

* * *

J.

* * *

CODING: Words in ~~struck through~~ type are deletions from existing law; words underscored are additions.

(3) For amounts that became delinquent on or before June 30, 2024, the board of trustees may approve a payment plan for a term of up to fifteen years for the delinquent amount together with interest charged at the legal rate from the date the payment was due, provided the employer enrolled all eligible employees on or before June 30, 2024, and timely enrolls all eligible employees thereafter, complies with mandatory reporting and enrollment laws, pays contributions as the amounts become due for current employees, and pays all amounts due under this Section not later than the first day benefits become payable to any employee, beneficiary, or survivor.

K.(1) The board shall not collect any amounts due under this Section that are owed by any employer that enrolled all eligible employees on or before June 30, 2024, that are related to any former employee who was not timely enrolled or not enrolled while employed, and that first became due before June 30, 2021.

(2) Except as provided in Paragraph (1) of this Subsection, claims for amounts due under this Section arising on or after July 1, 2024, shall never prescribe.

Section 2. This Act shall become effective July 1, 2024.

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 Draft

2024 Regular Session

Abstract: Provides relative to the Municipal Police Employees' Retirement System (MPERS).

Present law provides each municipality with members enrolled in MPERS contribute its portion of the employer contribution rate set forth in present law each month.

Proposed law provides municipalities who have employees who are eligible to be members of MPERS and who have not opted out of the system must pay the employer contribution rate each month as provided in present law.

Present law provides for penalties incurred when a municipality fails to pay to MPERS the employer or employee contributions.

Proposed law retains present law.

Proposed law allows the MPERS board of trustees to approve a 15-year payment plan for municipalities that have outstanding payments to the system on or before June 30, 2024. Proposed law provides interest is to be applied to the delinquent payments at the legal rate from the date the payments were due. Provides that the payment plan is available if the employer:

- (1) Enrolled all eligible members by June 30, 2024, and timely enrolls employees in the future.
- (2) Complies with mandatory reporting and enrollment laws.
- (3) Pays contributions as they become due for current employees.
- (4) Pays all amounts the first day benefits become payable to any employee, beneficiary, or survivor.

Proposed law, with one stated exception, provides that amounts due from employers never prescribe.

Effective July 1, 2024.

(Amends R.S. 11:2227(D)(1)(a); Adds R.S. 11:2227(J)(3) and (K))