
DIGEST

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HB 42 Engrossed

2024 Regular Session

Firment

Abstract: Provides relative to the composition of the MPERS board of trustees and relative to the collection of delinquent payments to the system.

Present law provides that the MPERS board of trustees is composed of 15 members as follows:

- (1) Three active contributing members of the system with 10 or more years of service credit.
- (2) Four active contributing chiefs of police with 4 or more years of service credit.
- (3) Two regular retirees of the system.
- (4) The chairman of the Senate Committee on Retirement or his designee.
- (5) The commissioner of administration or his designee.
- (6) The state treasurer or his designee.
- (7) A member of the House Committee on Retirement appointed by the Speaker.
- (8) Two mayors appointed by the La. Municipal Assoc. (LMA).

Proposed law increases membership to 16 members by adding an additional mayor appointed by the LMA from a town or village (a municipality with a population of less than 5,000).

Present law provides legal procedures by which MPERS collects delinquent payments. Provides for the treasurer to withhold certain funds otherwise owed to a municipality in order to satisfy the municipality's delinquent payments.

Proposed law retains present law and provides that any action instituted by the retirement system to recover delinquent payments or damages associated with delinquent payments is subject to a liberative prescription of three years and is subject to the La. Governmental Claims Act.

Effective January 1, 2025.

(Amends R.S. 11:2225(A)(2)(a) and 2227(D)(2))

Summary of Amendments Adopted by House

The Committee Amendments Proposed by House Committee on Retirement to the original bill:

1. Remove proposed law limiting MPERS membership to municipalities that enter an agreement with the system.
2. Remove proposed law that would have removed option, available to employees who are in Social Security, to not be members of MPERS.
3. Reduce number of new mayors on the board of trustees from three to one and require at least one mayor to be from a town or village.