

GREEN SHEET REDIGEST

HB 43

2024 Regular Session

Bacala

RETIREMENT/MUNICIPAL POL: Provides relative to contributions to and the administration of the Municipal Police Employees' Retirement System.

DIGEST

Proposed law requires MPERS employers to submit to the retirement system a fully completed membership enrollment form, a copy of the birth certificate and Social Security card for each member it employs and his beneficiaries within 90 days after employment.

Present law requires an employee to have a physical examination and further requires that the examination and the execution of any waivers of preexisting conditions or history be received by the system within six months after employment.

Proposed law changes the deadline for submitting the physical examination to the system to 90 days after employment.

Present law provides for the payment of benefits to a survivor of a contributing member who dies before retirement or a survivor of a disability retiree who dies. Provides survivor benefits are payable upon application to MPERS and become effective on the day following the member's death.

Proposed law retains present law if the application for survivor benefits is received by Sept. 20, 2024, or 120 days following the member's death, whichever is later. If this deadline is not met, the benefits become effective when a complete application is received and payable no later than the first month following 30 days from the date that a complete application is received.

Present law provides for the Deferred Retirement Option Plan (DROP) under which a retiree continues to be employed, for a period of not more than three years, during which he defers receipt of his retirement benefit.

Proposed law increases maximum DROP participation to five years.

Present law provides that the MPERS system is governed by a board of trustees comprised of 15 members. Board membership includes seven active contributing members, four of whom shall be police chiefs and three of whom shall not be chiefs.

Proposed law provides that if such a member of the board with no more than two years left in his term becomes a retiree of the system or is no longer a police chief, he shall continue to serve as a member of the board until the expiration of the term for which he was elected.

Proposed law requires a municipality that employed a police officer or chief within the previous five fiscal years to submit reports to the system as follows:

- (1) Reports shall be submitted annually by the 15th day of July.
- (2) The reports shall include the amount of earnable compensation per employee and shall separately report state supplemental pay and the amount of compensation paid for overtime. The report shall include other information prescribed by the board.
- (3) If a report is in error as to the earnable compensation of any member and such an error results in an overpayment of benefits by the system, the municipality shall reimburse the system for the overpayments within 30 days after notification of the discovery of the error or overpayment.

Proposed law requires a mandatory reporter that employed no employee during the previous and current fiscal year to only submit electronically to the system an annual contributions report and certify such no later than the 15th of July of the following fiscal year.

Effective July 1, 2024.

(Amends R.S. 11:2214(A)(2)(a) and (d)(ii), 2220(B)(2)(e), 2221(C) and (J)(1)(intro para.), 2225(A)(3)(a), 2225.4(A)(1) and (B)(1), 2227(A) and (B)(1), 2241.4(A)(3), and 2242.4(3))

Summary of Amendments Adopted by House

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

1. Remove proposed law regarding partial dissolution of police departments and the calculation of UAL payment related thereto.
2. Decrease the fine for not providing documents to the retirement system from \$100 per day to \$20 per day.
3. Add a penalty of \$50 per day for a municipality that fails to enroll a member in the system who should have been enrolled.
4. Add a provision for a 15-year payment plan for certain municipalities that have outstanding amounts owed to the system.
5. Add provisions prohibiting the board from collecting certain amounts due and providing that other amounts due never prescribe.

The House Floor Amendments to the engrossed bill:

1. Remove the following fines and penalties:
 - (a) A fine for not providing documents to the retirement system.
 - (b) A penalty for failing to enroll a member.
 - (c) A penalty for failing to submit contribution reports.
2. Make the executive director's authority to certify unpaid amounts from employers to the treasurer in order to recover delinquent payments subject to the approval of the board of trustees.
3. Change frequency of required contribution reports from monthly to annually.
4. Change municipalities subject to the requirement for contribution reports from those that employed a police officer in the previous 10 years to the previous five years.
5. Remove provision for a 15-year payment plan for certain municipalities that have outstanding amounts owed to the system.
6. Remove provision prohibiting the board from collecting certain amounts due and providing that other amounts due never prescribe.

Summary of Amendments Adopted by Senate

The Committee Amendments Proposed by Senate Committee on Retirement to the Reengrossed Bill:

1. Provide for the payment of survivor benefits and application submission deadlines.
2. Increase maximum DROP participation to five years.
3. Change the deadline for the submission of reports to the system to the 15th of July.
4. Require a mandatory reporter that employed no employee during the previous and current fiscal year to submit a report electronically by the 15th of July.