

2026 Regular Session

HOUSE BILL NO. 21

BY REPRESENTATIVE GLORIOSO

RETIREMENT/MUNICIPAL EMP: Provides relative to participation in the Municipal Employees' Retirement System

1 AN ACT

2 To amend and reenact R.S. 11:1735(A), 1759(D), 1782(1), 1788(A), and 1802(1), to enact
3 R.S. 11:1732(13)(c) and (14)(a)(xiv), and to repeal Section 2 of Act No. 634 of the
4 2024 Regular Session of the Legislature, relative to the Municipal Employees'
5 Retirement System; to provide for employer participation; to provide relative to
6 certain exemptions; to provide relative to accumulated contributions; to provide
7 relative to membership in the system; to provide relative to computation of normal
8 retirement allowances; to provide for definitions; to provide relative to benefits of
9 part-time reemployed retirees; to provide relative to service credit; and to provide for
10 related matters.

14 Be it enacted by the Legislature of Louisiana:

15 Section 1. R.S. 11:1735(A), 1759(D), 1782(1), 1788(A), and 1802(1) are hereby
16 amended and reenacted and R.S. 11:1732(13)(c) and (14)(a)(xiv) are hereby enacted to read
17 as follows:

1 §1732. Definitions

2 The following words and phrases, as used in this Chapter, unless a different
3 meaning is plainly required by the context, shall have the following meanings:

* * *

5 (13)

* * *

11 (14)(a) "Employer" or "participating employer" shall mean:

* * *

(xiv) An employer pursuant to the provisions of R.S. 11:1751.2.

* * *

15 §1735. Exemption from execution

16 A. The following items are hereby exempt from any state or municipal tax
17 and from levy and sale, garnishment, attachment, or any other process whatsoever
18 as provided in this Chapter, except as provided in R.S. 11:292: the right of a person
19 to a pension, an annuity, or a retirement allowance, or to the return of contributions,
20 the pension, annuity, or retirement allowance itself, any optional benefit or any other
21 right accrued or accruing to any person, and the moneys in various funds created by
22 this Chapter. These enumerated items shall be unassignable, except as in this
23 Chapter specifically otherwise provided. Benefits paid under this Chapter shall be
24 exempt from state income tax. If the contributions of an employee are paid by a
25 municipality participating employer in order to secure credit for back service, these
26 funds may be assigned to the municipality participating employer until such time as
27 the employee has repaid contributions so paid or the municipality participating employer

1 employer has released the contributions so paid by written notice to the board of
2 trustees of the Municipal Employees' Retirement System.

* * *

4 §1759. Return of accumulated contributions

* * *

6 D. However, refunds of accumulated contributions shall not be required to
7 be made to the member or to his estate until and unless the member has been
8 terminated from a participating municipality employer for thirty days and until all
9 contributions for said the member have been submitted by the member's employer.

* * *

11 §1782. Computation of normal retirement allowances; return of accumulated
12 contributions

13 The monthly amount of the retirement allowance for any member of Plan A
14 shall consist of an amount equal to three percent of the member's final compensation
15 multiplied by his years of creditable service, provided however, that:

16 (1) Any member who has held an elective office in a municipality which is
17 a participating employer shall be paid an additional annuity equal to one-half of one
18 percent for each year of such elective service.

* * *

20 §1788. Optional membership

21 A. Notwithstanding any other provision of law to the contrary, any
22 municipality participating employer which has its employees covered under Social
23 Security and enrolled in Plan B of this system, shall have the option of becoming
24 members of Plan A. The municipality participating employer shall notify the system
25 of its intention to be enrolled in Plan A in writing. The municipality participating
26 employer shall not be entitled to transfer the service and contributions standing to
27 their credit in Plan B to Plan A. After the effective date of such transfer, both the

1 employee and employer shall make the current contributions required by each under
2 Plan A.

* * *

4 §1802. Computation of normal retirement allowance

5 The monthly amount of the retirement allowance for any member of Plan B
6 shall consist of an amount equal to two percent of the member's final compensation
7 multiplied by his years of creditable service, provided that:

* * *

12 Section 2. Section 2 of Act No. 634 of the 2024 Regular Session of the Legislature
13 is hereby repealed in its entirety.

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 21 Original

2026 Regular Session

Glorioso

Abstract: Provides relative to participation in the Municipal Employees' Retirement System.

Present law provides for the definition of "employee" within in the Municipal Employees' Retirement System (MERS).

Proposed law retains present law.

Proposed law provides that an elected official who is not subject to the provisions of present law relative to part-time officials is presumed to be an employee unless a contrary declaration is confirmed by the governing authority.

Present law provides for the definition of "employer" or "participating employer" within MERS.

Proposed law expands the definition of "employer" or "participating employer" to include an employer who has hired a person in a position that would require them to participate in the La. State Employees' Retirement System (LASERS), but the employee has made an irrevocable election in accordance with present law to remain a member of MERS in lieu of participation in LASERS.

Present law provides that contributions of an employee are paid by a municipality to secure credit for bank service, the funds can be assigned to the municipality until the employee has

repaid the contributions or the municipality has released the contributions by written notice to the MERS board of trustees.

Present law provides that refunds of accumulated contributions are not required to be made to the member of his estate until the member has been separated from the municipality for thirty days and all contributions for the member are submitted by the employer.

Present law provides that a member of Plan A who has held an elected office in a municipality is to be paid an additional annuity equal to one-half of one percent for each year of elected service.

Present law provides that a municipality that has employees covered under Social Security and are currently enrolled in Plan B have the option to become members of Plan A. Requires the municipality to notify the system in writing. Provides that the municipality is not entitled to transfer the service credit and contributions from Plan B to Plan A.

Present law provides that a member of Plan B who has held an elected office in a municipality is to be paid an additional annuity equal to one-half of one percent for each year of elected service.

Proposed law changes references to "municipality" to "participating employer". Otherwise retains present law.

Present law requires a reduction of retirement benefits for a MERS retiree who is employed part-time (less than an average of 35 hours per week) in a position covered by MERS if his monthly earnings exceed the difference between his monthly average final compensation and his monthly earnings exceed the difference between his monthly average final compensation and his monthly retirement benefit. Further provides for an annual adjustment to the base amount which triggers the reduction.

Present law provides that a person who retires with more than 30 years of service and who is at least 60 years old is not subject to the benefit reduction.

Present law provides that an employee who is not subject to the reduction is not a member of the system. Provides that during such reemployment, if first reemployment occurs on or after July 1, 2016, the retiree and the employer make contributions to the retirement system. Authorizes the employee, upon termination of reemployment, to receive a refund of his contributions but provides that he shall receive no additional service credit or additional retirement benefit.

Proposed law retains present law.

Present law terminates on June 30, 2028.

Proposed law repeals the termination date of present law.

(Amends R.S. 11:1735(A), 1759(D), 1782(1), 1788(A), and 1802(1); Adds R.S. 11:1732(13)(c) and (14)(a)(xiv); Repeals §2 of Act. No. 634 of the 24 R.S.)