

Regular Session, 2014

HOUSE BILL NO. 1034

BY REPRESENTATIVE RICHARD

RETIREMENT/MUNICIPAL EMP: Relative to the reduction in benefits of certain rehired retirees of the Municipal Employees' Retirement System

1 AN ACT

2 To enact R.S. 11:1762(E), relative to benefits of reemployed retirees of the Municipal
3 Employees' Retirement System; to provide relative to adjustment of benefit amounts;
4 to provide relative to membership; to provide for repayment of withholdings; to
5 provide for an effective date; and to provide for related matters.

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

9 Be it enacted by the Legislature of Louisiana:

10 Section 1. R.S. 11:1762(E) is hereby enacted to read as follows:

11 §1762. Reemployment of retirees

12 * * *

13 E. Notwithstanding any provision of this Section, a retiree who returns to
14 work as an elected official in an office that would otherwise qualify him to
15 participate in the system shall continue to receive his monthly benefit without
16 reduction. Such retiree shall not be eligible for membership in the system.

17 Section 2. Any retiree of the Municipal Employees' Retirement System who is
18 holding elected office in a position that would otherwise qualify him for membership in such
19 system as of the effective date of this Act shall be due all amounts previously withheld
20 pursuant R.S. 11:1762(B) because of his elective service.

1 Section 3. This Act shall become effective upon signature by the governor or, if not
 2 signed by the governor, upon expiration of the time for bills to become law without signature
 3 by the governor, as provided by Article III, Section 18 of the Constitution of Louisiana. If
 4 vetoed by the governor and subsequently approved by the legislature, this Act shall become
 5 effective on the day following such approval.

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)]

Richard

HB No. 1034

Abstract: Authorizes a retiree of the Municipal Employees' Retirement System (MERS) to return to work as an elected official and continue to receive his full benefit check without reduction. Further authorizes any such retiree to receive all sums previously withheld from his benefit check since taking office.

Present law authorizes a retiree of MERS to return to work while receiving his retirement benefits. Places a cap on how much a retiree of MERS may earn in salary and retirement benefits. The cap is equal to the retiree's monthly average final compensation. If the sum of the retiree's monthly benefit check and monthly salary exceeds his monthly average final compensation, his benefit check is reduced by the amount of the excess. If the sum of the retiree's monthly benefit check and monthly salary is less than his monthly average final compensation, the member's benefit is unmodified.

Proposed law retains present law for all retirees except those returning to work as an elected official. Provides that such members may continue to receive their full benefit, without reduction. Further requires payment by MERS of all amounts previously withheld pursuant to present law to any system retiree who has returned to work as an elected official as of the effective date of this Act. Such refunds are limited to withholdings due to elective service.

Effective upon signature of governor or lapse of time for gubernatorial action.

(Adds R.S. 11:1762(E))