
DIGEST

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Pearson

HB No. 5

Abstract: Establishes the composition of elected trustees of the Municipal Employees' Retirement System (MERS) as three elected official trustees and three nonelected official trustees. Prohibits more than two trustees from the same municipality from serving on the board at the same time.

Present law creates the 11-member board of trustees of the MERS system. Of these 11 members, five are ex officio and six are active contributing members elected by the membership of the system. Proposed law retains present law.

Proposed law requires three of the active member trustees to be elected officials and the other three to not be elected officials (hereafter referred to as regular members).

Present law requires all elected trustees to be elected in accordance with the election rules prescribed by the board. Proposed law retains present law.

Present law authorizes all ex officio members of the board except the President of the La. Municipal Assoc. to designate someone to serve in their place. Proposed law retains present law and further authorizes the president of the La. Municipal Assoc. to designate someone to serve in his place.

Proposed law authorizes a trustee, once elected, to continue to serve on the board if he remains a member of the system, regardless of a change in employment which would otherwise render him ineligible for the position held.

Present law generally provides that a trustee's term shall expire if he separates from membership of the system. Proposed law provides that a trustee's term shall expire if he ceases to be a member of the system. Present law provides an exception for members who retire while serving on the board. Proposed law retains present law.

Present law (R.S. 11:1732(14)) defines "participating employer" for the laws of the system as:

- (1) Any incorporated city, town, or village in the state of Louisiana.
- (2) The Municipal Association of Louisiana.
- (3) The Louisiana Energy and Power Authority.

- (4) The Cajundome Commission.
- (5) The retirement system itself.
- (6) Any state planning and development commission that has entered into an agreement with the board for participation.
- (7) The West Calcasieu Parish Community Center Authority.
- (8) The Vinton Public Power Authority.

Proposed law retains present law. Proposed law prohibits more than two trustees from the same participating employer from serving on the board at the same time.

Proposed law provides for implementation of proposed law. Requires the trustees elected in 2016, 2017, and 2020 to be elected officials and the trustees elected in 2015, 2018, and 2019 to be regular members. Requires vacancies in a trustee position once the position is filled pursuant to proposed law to be filled according to the classification of the trustee who held the position immediately prior: elected official trustees shall be replaced with other elected officials and regular member trustees shall be replaced by other regular members. Authorizes a vacancy in a position that has not yet held an election pursuant to proposed law to be filled by either elected official or regular members.

Effective February 27, 2015.

(Amends R.S. 11:1821(B) and (G))

Summary of Amendments Adopted by House

Committee Amendments Proposed by House Committee on Retirement to the original bill.

1. Adds provision authorizing the president of the La. Municipal Assoc. to designate someone to serve in his place.
2. Adds provision allowing a trustee elected pursuant to proposed law to continue to serve if he remains a member of the system, regardless of change in employment which would otherwise disqualify him from such position.
3. Changes effective date of Act from upon signature of the governor to Feb. 27, 2015.
4. Adds provisions phasing-in elected official and nonelected official trustees through certain regularly scheduled elections in the future and provisions regarding filling vacancies in trustee positions.