

SENATE SUMMARY OF HOUSE AMENDMENTS

**SB 2 By Senator Mills**

**KEYWORD AND SUMMARY AS RETURNED TO THE SENATE**

PAROCHIAL EMPLOYEES RET. Provides for the prospective termination of a hospital district plan,. (8/1/14)

**SUMMARY OF HOUSE AMENDMENTS TO THE SENATE BILL**

1. Restricts applicability to any hospital service district located in a parish with a total population between 70,000 and 80,000 persons.
2. Adds provision requiring continuation of the agreement for coverage for all employees hired prior to the prospective termination.
3. Removes January 1, 2015 effective date.

**DIGEST OF THE SENATE BILL AS RETURNED TO THE SENATE**

Mills

SB No. 2

Proposed law authorizes prospective termination of participation in the Parochial Employees' Retirement System (System) by a hospital service district located in a parish with a total population between 70,000 and 80,000 persons. Requires that the prospective termination apply only to new employees of the district hired on or after January 1, 2015.

Proposed law requires that the following requirements apply for a prospective termination:

1. That all provisions of the agreement for coverage between the hospital service district and the system remain in effect for employees hired prior to the prospective termination.
2. Requires that new employees may not be enrolled in the system unless the board of trustees of the System approves the coverage.
3. Requires the prospective termination follow all notice and other requirements of termination in the agreement for coverage.
4. Requires the terminating employer remit any portion of the UAL, if any, attributable to the employer's prospective termination. Provides that the amount to be remitted be determined as of the December 31<sup>st</sup> immediately prior to the termination date.
5. Requires that the amount due be determined by the System actuary and be paid either in a lump sum or amortized over ten years in equal monthly payments with interest.
6. Requires failure by the employer to pay the amount due in a timely manner, then the payment be collected in the same manner as delinquent payments.

Effective August 1, 2014.

(Adds R.S. 11:1903(F))

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