

SENATE BILL NO. 17

BY SENATOR GUILLORY

Prefiled pursuant to Article III, Section 2(A)(4)(b)(i) of the Constitution of Louisiana.

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AN ACT

To amend and reenact R.S. 11:2175(C)(3)(c) and 2175.1(A)(3) and (C), and to repeal R.S. 11:105(A)(5), relative to the Sheriffs' Pension and Relief Fund; to provide relative to benefits and the funding for those benefits; to provide relative to service credit for benefit calculation and the purchase thereof; to provide relative to employer contributions for funding benefits; to provide relative to the funding deposit account; to provide for credits to the account; to provide for an effective date; and to provide for related matters.

Notice of intention to introduce this Act has been published.

Be it enacted by the Legislature of Louisiana:

Section 1. R.S. 11:2175(C)(3)(c) and 2175.1(A)(3) and (C) are hereby amended and reenacted to read as follows:

§2175. Blanket fidelity insurance policy; powers of board; rehired retirees; refund of contributions; restrictions on payments; warrants; deposits; investments

* * *

C. * * *

(3) * * *

(c) Any member of the fund with a minimum of twelve years of service credit applicable to eligibility for regular retirement may purchase up to ~~three~~ five years of permissive service credit as defined in the Pension Protection Act of 2006, Section 415(n) of the Internal Revenue Code, and the corresponding Treasury regulations. The service may be purchased only in full-month increments by paying the total cost of the actuarial value of benefits to be purchased. The request to purchase permissive service credit pursuant to this Subparagraph shall be accompanied by the member's

1 application for retirement from the fund. On the day such purchase is completed, the
 2 member shall terminate employment and retire. His retirement shall be effective on
 3 the next business day following the purchase. The board shall adopt policies and
 4 procedures for the implementation of this Subparagraph, including providing for a
 5 member to request the required actuarial calculation with the cost of such calculation
 6 to be paid by the member.

7 * * *

8 §2175.1. Funding deposit account

9 A. * * *

10 ~~(3)(a) Notwithstanding any provision of R.S. 11:105 to the contrary, all~~
 11 **Notwithstanding the provisions of R.S. 11:103 and 104, in any fiscal year during**
 12 **which the net direct employer contribution rate would otherwise decrease, the**
 13 **board of trustees is authorized to set the employer contribution rate at any**
 14 **point between the previous year's employer contribution rate and the decreased**
 15 **rate otherwise required pursuant to R.S. 11:103 and 104.**

16 ~~(b) All surplus funds collected shall be credited to the funding deposit~~
 17 ~~account for any fiscal year terminating on or after December 31, 2008, in which the~~
 18 ~~board of trustees elects or previously elected to set~~ **sets** ~~the direct employer~~
 19 ~~contribution rate higher than the minimum recommended rate pursuant to R.S.~~
 20 ~~11:105~~ **the provisions of Subparagraph (a) of this Paragraph, shall be credited**
 21 **to the account.**

22 * * *

23 C. Beginning with the June 30, 2009 valuation, the board of trustees may in
 24 any fiscal year direct that funds from the account be charged according to the
 25 following options:

- 26 (1) To reduce the unfunded accrued liability as prescribed in R.S. 11:105.
- 27 (2) To reduce the present value of future normal costs.
- 28 (3) To pay all or a portion of any future net direct employer contributions.
- 29 (4) To provide for permanent benefit increases as provided for in R.S.

30 11:2178(~~K~~).

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Section 2. R.S. 11:105(A)(5) is hereby repealed.

Section 3. This Act shall become effective on June 30, 2015; if vetoed by the governor and subsequently approved by the legislature, this Act shall become effective on June 30, 2015, or on the day following such approval by the legislature, whichever is later.

PRESIDENT OF THE SENATE

SPEAKER OF THE HOUSE OF REPRESENTATIVES

GOVERNOR OF THE STATE OF LOUISIANA

APPROVED: _____