

GREEN SHEET REDIGEST

HB 40

2016 Regular Session

Reynolds

(KEYWORD, SUMMARY, AND DIGEST as amended by Senate committee amendments)

RETIREMENT/MUNICIPAL EMP: Provides relative to the reemployment of retirees in the Municipal Employees' Retirement System

DIGEST

Present law provides that during a period of reemployment of a retiree of MERS, his employment income plus his retirement benefit may not exceed his final average compensation; if it does, his retirement benefit is reduced by the excess amount. Proposed law retains present law.

Present law provides that during such period of reemployment, the employee is not a member of the system. Proposed law removes this provision and requires that during the period of reemployment, the retiree and his employer make contributions to the retirement system. Provides, however, that the retiree shall not receive additional service credit or accrue additional benefits in the retirement system. Proposed law further provides that upon termination of reemployment, employee contributions shall be refunded to the retiree without interest and provides that the retirement system retains the employer contributions and interest.

Proposed law provides that proposed law is applicable to a retiree who is first reemployed on or after July 1, 2016.

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

(Amends R.S. 11:1762(A) and (B))

Summary of Amendments Adopted by House

The House Floor Amendments to the engrossed bill:

1. Modify implementation to apply only prospectively to retirees reemployed after June 30, 2016.

Summary of Amendments Adopted by Senate

Committee Amendments Proposed by Senate Committee on Retirement to the reengrossed bill

1. Clarify implementation to apply only to retirees first reemployed on or after July 1, 2016.