

HOUSE SUMMARY OF SENATE AMENDMENTS**HB 40****2016 Regular Session****Reynolds**

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

Synopsis of Senate Amendments

1. Provides that retirees who were reemployed prior to June 30, 2016, shall be members of the retirement system.

Digest of Bill as Finally Passed by Senate

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.

Proposed law 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 relative to contributions to the system 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))