

## RÉSUMÉ DIGEST

**ACT 370 (HB 48)**

**2015 Regular Session**

**Thibaut**

Existing law (R.S. 11:107.1) establishes a funding deposit account within each of the following retirement systems:

- (1) Assessors' Retirement
- (2) Clerks' of Court
- (3) Municipal Employees'
- (4) Parochial Employees'
- (5) Registrars of Voters'

Existing law (R.S. 11:105 - 107) authorizes the retirement systems with funding deposit accounts to modify employer contribution rates in certain circumstances. While specific authorizations differ by system, generally the systems are given the authority to:

- (1) Hold employer contribution rates at the previous year's higher level.
- (2) Set the employer contribution rate up to 3% above the recommended rate.
- (3) Set the employer contribution rate somewhere between the new lower rate and the previous year's higher rate.

Funds collected through the exercise of such existing law authority are deposited into the funding deposit accounts in each system.

Existing law further requires that any monies collected from such increase be used in the following order:

- (1) Pay down system UAL.
- (2) Decrease employer contribution rates.

New law further authorizes such systems to use account balances to pay cost-of-living adjustments (COLAs). Requires payments made pursuant to new law to comply with existing law requirements and restrictions on payment of COLAs. Further requires any COLA paid pursuant to new law to comply with the funded ratio and timing requirements for granting COLAs in existing law (R.S. 11:243).

Effective June 30, 2015.

(Adds R.S. 11:107.1(D)(4))