

Regular Session, 2012

HOUSE BILL NO. 29

BY REPRESENTATIVE PEARSON

RETIREMENT/MUNICIPAL POL: Provides relative to the payment of disability benefits for members of the Municipal Police Employees' Retirement System

1 AN ACT

2 To amend and reenact R.S. 11:2223(F) and to enact R.S. 11:2223(G), relative to the
3 Municipal Police Employees' Retirement System; to provide with respect to
4 disability benefits; to provide for the computation and payment of reduced disability
5 benefits in certain circumstances; to provide an effective date; and to provide for
6 related matters.

7 Notice of intention to introduce this Act has been published
8 as provided by Article X, Section 29(C) of the Constitution
9 of Louisiana.

10 Be it enacted by the Legislature of Louisiana:

11 Section 1. R.S. 11:2223(F) is hereby amended and reenacted and R.S. 11:2223(G)
12 is hereby enacted to read as follows:

13 §2223. Disability retirement

14 * * *

15 F. Notwithstanding any provision of R.S. 11:221(D) and R.S. 23:1225, when
16 any member becomes disabled on or after July 1, 2012, and is entitled to a disability
17 benefit from the retirement system, the disability benefit payable for any month that
18 the member is also receiving worker's compensation benefits shall be reduced, if

1 necessary, so that the total of both benefits shall not exceed the member's average
 2 final compensation. The benefit to be paid shall be computed such that the disability
 3 benefit from the retirement system and the workers' compensation benefit shall each
 4 be paid in respect to the ratio that each individual benefit bears to the total of both
 5 benefits, to which the member would be entitled prior to reduction, multiplied by the
 6 average final compensation of the member.

7 F. G. Notwithstanding the provisions of R.S. 11:221(E), any disability
 8 benefits granted under the provisions of this Section shall not be reduced because the
 9 disability retiree is also receiving social security disability benefits.

10 Section 2. This Act shall become effective July 1, 2012; if vetoed by the governor
 11 and subsequently approved by the legislature, this Act shall become effective on July 1,
 12 2012, or on the day following such approval by the legislature, whichever is later.

DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

Pearson

HB No. 29

Abstract: Authorizes the reduction of disability benefits in certain circumstances and requires payment by the Municipal Police Employees' Retirement System (MPERS) and the La. Workforce Commission (LWC) in certain proportions.

Present law (R.S. 11:221) authorizes retirement system boards to reduce disability benefits in certain circumstances. Present law specifically provides that if the sum of the financial awards that accrue to a disability retiree solely as a result of his disability (including worker's compensation) exceeds the amount of the retiree's average final compensation, then his disability award may be decreased to no more than his average final compensation.

Present law (R.S. 23:1225) provides that in certain circumstances, including when he is receiving disability benefits from an employer, an injured employee's workers' compensation benefits may be reduced to no more than 66.66% of his average weekly wage.

Proposed law retains present law.

Proposed law provides that for a disability retiree in MPERS, for any month that the retiree is also receiving workers' compensation benefits, the total of those two benefits combined cannot exceed the retiree's average final compensation. If the total exceeds the retiree's average final compensation, then proposed law requires the benefits to be reduced to no more than the retiree's average final compensation.

Proposed law further provides that the benefit paid in such circumstances shall be calculated such that MPERS and LWC each pay in proportion to the amount they respectively owed prior to the reduction.

Proposed law further provides that proposed law shall only apply to MPERS members who become disabled on and after July 1, 2012.

Effective July 1, 2012.

(Amends R.S. 11:2223(F); Adds R.S. 11:2223(G))