

**ACT No. 43**

2015 Regular Session

HOUSE BILL NO. 44

BY REPRESENTATIVE MILLER

1 AN ACT

2 To enact R.S. 11:2225.4, relative to the Municipal Police Employees' Retirement System;  
3 to provide with respect to unfunded accrued liability of the system; to provide for  
4 payment by certain employers in certain circumstances; to provide for calculation  
5 and payment of amounts due; to provide for collection of past due amounts; and to  
6 provide for 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. 11:2225.4 is hereby enacted to read as follows:

12 §2225.4. Unfunded accrued liability; payment by employer

13 A.(1) If any employer participating in the system dissolves its police  
14 department and contracts for police services with another entity, the employer shall  
15 remit to the system, as further provided in this Subsection, that portion of the  
16 unfunded accrued liability existing on the June thirtieth immediately prior to the date  
17 of dissolution of the police department, attributable to such employer. The amount  
18 due pursuant to the provisions of this Paragraph shall include interest at the system's  
19 valuation interest rate.

20 (2) If a participating employer does not dissolve its police department but the  
21 salaries upon which contributions are made by an employer to the system for a fiscal  
22 year are less than seventy percent of the salaries upon which contributions were  
23 made to the system for the employer's immediately prior fiscal year, then the  
24 employer shall be deemed to have partially dissolved its police department and shall

1 be liable for a pro rata portion of the system's unfunded accrued liability. The  
2 portion shall be calculated by applying the percentage decrease in the employer's  
3 fiscal year over fiscal year salaries upon which contributions are made to the total  
4 payment that would have been required pursuant to the provisions of Paragraph (1)  
5 of this Subsection if the employer had dissolved its police department. Payments  
6 required pursuant to the provisions of this Paragraph shall include interest at the  
7 system's valuation interest rate.

8 B. Any amount due pursuant to Subsection A of this Section shall be  
9 determined by the actuary employed by the system and shall be paid either in a lump  
10 sum or amortized over ten years in equal monthly payments with interest at the  
11 system's valuation interest rate in the same manner as regular payroll payments to the  
12 system, at the option of the employer.

13 C. If an employer fails to make a payment timely, the amount due shall be  
14 collected in any of the following manners:

15 (1) By action in a court of competent jurisdiction against the delinquent  
16 employer. The amount due shall include interest calculated at the system's actuarial  
17 valuation rate, compounded annually.

18 (2) The board may certify to the state treasurer all amounts attributable to the  
19 delinquent employer. In support of such certification, the board shall submit to the  
20 treasurer a resolution certifying the name of the delinquent employer, its failure to  
21 pay, and the amount owed and shall name a designee or designees to act on the  
22 board's behalf. Upon receipt of such certification, the treasurer shall deduct from  
23 monies payable to the certified delinquent party the certified amount due and shall  
24 remit such deducted amounts directly to the Municipal Police Employees' Retirement  
25 System.

26 D. For the purposes of this Section, the term "employer" shall have the same  
27 meaning as provided in R.S. 11:2213 and shall include any municipality that  
28 terminates participation in the system by dissolving its police department pursuant  
29 to Subsection A of this Section.

1           Section 2. This Act shall become effective upon signature by the governor or, if not  
2 signed by the governor, upon expiration of the time for bills to become law without signature  
3 by the governor, as provided by Article III, Section 18 of the Constitution of Louisiana. If  
4 vetoed by the governor and subsequently approved by the legislature, this Act shall become  
5 effective on the day following such approval.

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SPEAKER OF THE HOUSE OF REPRESENTATIVES

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PRESIDENT OF THE SENATE

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GOVERNOR OF THE STATE OF LOUISIANA

APPROVED: \_\_\_\_\_