

Regular Session, 2010

SENATE BILL NO. 76

BY SENATOR B. GAUTREAUX

PAROCHIAL EMPLOYEES RET. Limits the ability of certain employees and employers to participate in the Parochial Employees' Retirement System. (7/1/10)

1 AN ACT  
2 To amend and reenact R.S. 11:1903(A)(introductory paragraph), and (2), (5), and (6) and  
3 1922(G) and to enact R.S. 11:1903(A)(7), relative to the Parochial Employees'  
4 Retirement System; to provide relative to eligibility to participate in the system; to  
5 provide for requirements and limitations on such ability; to require a participating  
6 employer to extend benefits to all employees; to prohibit participation by certain  
7 employees whose employment is covered by another public system, plan, or fund;  
8 to specify that an employer with employees eligible for another public system, plan,  
9 or fund shall not be eligible to enter a participation agreement with this system; to  
10 provide for an effective date; and to provide for related matters.

11 Notice of intention to introduce this Act has been published.

12 Be it enacted by the Legislature of Louisiana:

13 Section 1. R.S. 11:1903(A)(introductory paragraph); and (2), (5), and (6) and  
14 1922(G) are hereby amended and reenacted and R.S. 11:1903(A)(7) is hereby enacted to  
15 read as follows:

16 §1903. Admission of taxing districts; district indigent defender programs soil and  
17 water conservation districts

1           A. Any taxing district of a parish that qualifies as an employer pursuant to  
 2 R.S. 11:1902(13) or any branch or section of a parish that qualifies as an employer  
 3 pursuant to R.S. 11:1902(13) including a hospital district, water district, library,  
 4 district indigent defender program in this state, or soil and water conservation district  
 5 in this state is hereby authorized to submit for approval by the board of trustees a  
 6 plan for extending the benefits of this Chapter to employees of such district. Each  
 7 such plan or any amendment thereof shall be approved by the board of trustees if it  
 8 finds that such plan, or such plan as amended, is in conformity with such  
 9 requirements as are provided in regulations of the board of trustees, except that no  
 10 such plan shall be approved unless:

11   \*           \*           \*

12           (2)(a) it provides that all services which are performed in the employ of the  
 13 political subdivision or instrumentality, by any employees thereof, shall be covered  
 14 by the plan; **and**

15           **(b) it extends benefits to all employees of the political subdivision or**  
 16 **instrumentality;**

17   \*           \*           \*

18           (5) it provides that the political subdivision or instrumentality will make such  
 19 reports, in such form and containing such information, as the board of trustees may  
 20 from time to time require and comply with such provisions as the board of trustees  
 21 may from time to time find necessary to assure the correctness and verification of  
 22 such reports; ~~and~~

23           (6) it authorizes the system to terminate the plan in its entirety in the  
 24 discretion of the board of trustees if it finds that there has been a failure to comply  
 25 substantially with any provision contained in such plan, such termination to take  
 26 effect at the expiration of such notice and on such conditions as may be provided by  
 27 regulations of the board of trustees; **and**

28           **(7) none of the employees of the political subdivision or instrumentality**  
 29 **are eligible to participate in another Louisiana public retirement or pension**

1 **system, plan, or fund based on the employee's employment with the political**  
2 **subdivision or instrumentality.**

3 \* \* \*

4 §1922. Persons not eligible for membership; persons becoming eligible for  
5 membership in other systems

6 \* \* \*

7 G. Any person who is ineligible for membership in the publicly funded  
8 retirement system covered by his employment because of his failure to meet ~~physical~~  
9 requirements or qualifications shall not be eligible for membership in this system.

10 Section 2. Nothing in this Act shall affect agreements existing on or before the  
11 effective date of this Act.

12 Section 3. This Act shall become effective on July 1, 2010; if vetoed by the governor  
13 and subsequently approved by the legislature, this Act shall become effective on July 1,  
14 2010, or on the day following such approval by the legislature, whichever is later.

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The original instrument and the following digest, which constitutes no part  
of the legislative instrument, were prepared by Lauren B. Bailey.

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DIGEST

B. Gautreaux (SB 76)

Present law (R.S. 11:1903(A)) provides that any taxing district of a parish or branch of section of a parish that is an employer may request to enter into a participation agreement to enroll its employees in Parochial Employees' Retirement System (PERS) provided the employer's plan for extending benefits to its employees complies with certain requirements.

Proposed law retains present law and requires the employer to extend benefits to all of its employees. Prohibits approval of a plan for extending benefits if any of the employer's employees are eligible for membership in another La. public retirement or pension system, plan, or fund because of their employment with the employer applying to enter an agreement with PERS.

Present law (R.S. 11:1922(G)) provides that any person who is ineligible for membership in the publicly funded retirement system (other than PERS) covered by his employment because of his failure to meet physical requirements or qualifications shall not be eligible for membership in PERS.

Proposed law provides that any person who is ineligible for membership due to any failure to meet eligibility requirement or qualification shall not be eligible for membership in PERS.

Proposed law provides that nothing in this Act shall affect already existing agreements.

Effective July 1, 2010.

(Amends R.S. 11:1903(A)(introductory paragraph) and (2), (5), and (6) and 1922(G); Adds R.S. 11:1903(A)(7))

Summary of Amendments Adopted by Senate

Committee Amendments Proposed by Senate Committee on Retirement to the original bill.

1. Provides that nothing in this Act shall affect agreements existing on or before the effective date of this Act.