

2019 Regular Session

SENATE BILL NO. 10

BY SENATORS WHITE, ALARIO, APPEL, BARROW, BOUDREAUX, CARTER, COLOMB, CORTEZ, DONAHUE, ERDEY, FANNIN, GATTI, HENSGENS, HEWITT, JOHNS, LONG, LUNEAU, MARTINY, MILKOVICH, MILLS, MIZELL, PEACOCK, PETERSON, PRICE, RISER, GARY SMITH, JOHN SMITH, THOMPSON AND WALSWORTH

Prefiled pursuant to Article III, Section 2(A)(4)(b)(i) of the Constitution of Louisiana.

SHERIFFS PEN/RELIEF FUND. Provides relative to permanent benefit increases. (2/3 - CA10s29(F)) (6/30/19)

1 AN ACT  
2 To amend and reenact R.S. 11:2178(K) and (L) and to repeal R.S. 11:246(A)(7) and  
3 2178(M), relative to permanent benefit increases for the Sheriffs' Pension and Relief  
4 Fund; to provide for clarification of language; to provide for an effective date; and  
5 to provide for related matters.

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

7 Be it enacted by the Legislature of Louisiana:

8 Section 1. R.S. 11:2178(K) and (L) are hereby amended and reenacted to read as  
9 follows:

10 §2178. Disability benefits; retirement benefits; death benefits

11 \* \* \*

12 K. The board of trustees is authorized to use earnings on investments of the  
13 fund in excess of normal requirements or funding deposit account credit balances as  
14 determined by the actuary and approved by the board of trustees, to provide a  
15 permanent benefit increase for retired and disabled members and survivors who have  
16 been receiving benefits from the fund for one full calendar year prior to the granting  
17 of the increase.

1           ~~(1)(a) The cost-of-living increase shall be in a monthly amount not less than~~  
2           ~~two percent or more than three percent of the normal monthly benefit payable to the~~  
3           ~~retiree, disability recipient, or survivor on the date the increase is granted, but shall~~  
4           ~~not be less than twenty dollars per month. The permanent benefit increase shall~~  
5           ~~be payable in a monthly amount not to exceed two and one-half percent of the~~  
6           ~~normal monthly benefit payable to the retiree, disability recipient, or survivor~~  
7           ~~on the date the increase is granted. The dollar amount of such increase for any~~  
8           ~~recipient shall not exceed five percent of the average monthly benefit in~~  
9           ~~payment to service retirees as of the end of the preceding fiscal year.~~

10           (b) The board of trustees is authorized to provide a permanent benefit  
11           increase to all retirees, disability recipients, and survivors who are at least sixty-  
12           five years of age, which increase shall consist of an amount equal to two percent  
13           of the monthly benefit the member is receiving on the date the increase is  
14           granted.

15           (c) The board, in any one fiscal year, may provide a permanent benefit  
16           increase pursuant to either Subparagraph (a) or (b) of this Paragraph; however,  
17           it shall not grant permanent benefit increases pursuant to both of these  
18           Subparagraphs within the same fiscal year.

19           ~~(b) (d)~~ Notwithstanding any provision of this Subsection to the contrary, no  
20           ~~cost-of-living~~ permanent benefit increase shall be granted in any fiscal year  
21           pursuant to this Subsection if a ~~cost-of-living~~ permanent benefit increase has been  
22           granted pursuant to this Subsection in the immediately preceding fiscal year.

23           ~~(c)(i) Any member who retires on or after July 1, 2006, and before July 1,~~  
24           ~~2007, and who has not attained the age of sixty years shall be subject to a two-year~~  
25           ~~waiting period from the date of retirement to become eligible for a cost-of-living~~  
26           ~~increase.~~

27           ~~(ii) Any member who retires on or after July 1, 2007, and who has not~~  
28           ~~attained the age of sixty years shall be subject to a three-year waiting period from the~~  
29           ~~date of retirement to become eligible for a cost-of-living increase.~~

1           ~~(iii) Notwithstanding Items (i) and (ii) of this Subparagraph, any member~~  
2           ~~who is retired and who attains the age of sixty years subsequent to retirement shall~~  
3           ~~be eligible for a cost-of-living increase after one full year from the member's sixtieth~~  
4           ~~birthday.~~

5           ~~(iv) Any member retiring on or after attaining the age of sixty years shall be~~  
6           ~~eligible for a cost-of-living increase after one full calendar year from the date of~~  
7           ~~retirement.~~

8           **(e) Any member who has been retired for at least one year is eligible to**  
9           **receive a permanent benefit increase pursuant to the provisions of this**  
10          **Subsection if:**

11           **(i) The member has attained the age of sixty-one regardless of the date**  
12          **of retirement.**

13           **(ii) The member has not attained the age of sixty-one but has been**  
14          **retired for at least three years.**

15           (2) A person receiving a benefit utilizing the provisions of R.S. 11:142  
16          governing reciprocal recognition of service agreements shall be granted a ~~cost-of-~~  
17          ~~living adjustment~~ **permanent benefit increase** based upon that portion of the  
18          creditable service attributable to this system.

19           (3) A person receiving a benefit, who becomes sixty-five years of age during  
20          the calendar year prior to the granting of a supplemental ~~cost-of-living adjustment~~  
21          **permanent benefit increase** as provided in R.S. ~~11:246~~ **Subparagraph (1)(b) of**  
22          **this Subsection** for benefit recipients sixty-five years of age or older, shall receive  
23          a lump sum pro rata payment for the number of months he was sixty-five years of  
24          age prior to the granting of the ~~cost-of-living adjustment~~ **permanent benefit**  
25          **increase**, ~~in addition to the monthly supplemental payment authorized by R.S.~~  
26          ~~11:246~~ **Subparagraph (1)(b) of this Subsection.**

27           L. Death benefits terminated because of remarriage ~~as provided under the~~  
28          **terms pursuant to the provisions** of this Section shall be due and payable to a  
29          widow if her **surviving spouse if the** subsequent marriage is terminated by death.

1           Upon death of the second or subsequent spouse, the benefits shall be resumed;  
2           however, the benefits shall be suspended during the second or subsequent marriage.

3                                           \*           \*           \*

4           Section 2. R.S. 11:246(A)(7) and 2178(M) are hereby repealed.

5           Section 3. This Act shall become effective on June 30, 2019; if vetoed by the  
6           governor and subsequently approved by the legislature, this Act shall become effective on  
7           June 30, 2019, 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 Margaret M. Corley.

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#### DIGEST

SB 10 Reengrossed

2019 Regular Session

White

Present law authorizes the board of trustees of the Sheriffs' Pension and Relief Fund (Sheriffs') to grant permanent benefit increases (PBI) under certain circumstances.

Present law provides for one type of PBI, payable to all retirees, disability recipients, and survivors. Provides this type of PBI shall be in monthly installments of not less than 2% nor more than 3% of the normal monthly benefit, but in no case shall it be less than \$20 per month.

Proposed law changes the amount that may be granted to no more than 2.5%. Further provides that in no case shall any member receive in excess of 5% of the average monthly benefit in payment to service retirees.

Proposed law authorizes the board of trustees to provide a second type of PBI to beneficiaries who are at least 65 years of age, in an amount equal to 2% of the monthly benefit.

Proposed law restricts the board of trustees to granting only one type of PBI in any fiscal year.

Present law prohibits the board from granting a PBI pursuant to present law if a PBI was granted pursuant to present law the immediately preceding fiscal year.

Proposed law retains present law.

Present law provides for waiting periods relative to age and time from retirement to be eligible for a PBI. Proposed law retains present law.

Present law provides for specifications relative to a PBI granted on June 30, 2007 (R.S. 11:2178(M)).

Proposed law repeals present law.

Effective June 30, 2019.

(Amends R.S. 11:2178(K) and (L); repeals R.S. 11:246(A)(7) and 2178(M))

Summary of Amendments Adopted by Senate

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

1. Further clarify that the board of trustees is limited to granting only one type of PBI in any fiscal year.

Senate Floor Amendments to engrossed

1. Makes legislative bureau technical corrections.