

2021 Regular Session

HOUSE BILL NO. 19

BY REPRESENTATIVE MACK

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

RETIREMENT/STATE EMPS: Provides relative to the selection of certain optional survivor benefits for members of the Louisiana State Employees' Retirement System

1 AN ACT

2 To amend and reenact R.S. 11:471(D)(introductory paragraph) and 471.1(B)(1) and to enact  
3 R.S. 11:471(F) and 471.1(I), relative to the Louisiana State Employees' Retirement  
4 System; to provide relative to the selection of benefit options; to provide for  
5 survivors' benefits for members and members' families; and to provide for related  
6 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. 11:471(D)(introductory paragraph) and 471.1(B)(1) are hereby  
12 amended and reenacted and R.S. 11:471(F) and 471.1(I) are hereby enacted to read as  
13 follows:

14 471. Survivors' benefits; members hired on or before December 31, 2010

15 \* \* \*

16 D. Benefit. ~~Surviving~~ Except as provided in Subsection F of this Section,  
17 surviving spouses, minor children, handicapped children, and mentally disabled  
18 children who qualify under this Section shall be eligible for benefits as follows:

19 \* \* \*

1 F.(1) Any member with a mentally disabled child or children may elect, in  
2 lieu of the benefits otherwise provided for in the Section, that survivor benefits be  
3 calculated and paid as if the member retired immediately prior to his death and  
4 selected the option provided for in R.S. 11:446(A)(2)(b).

5 (2) The election provided for in this Subsection shall be duly acknowledged  
6 and filed with the board of trustees. Such election may be made at any time prior to  
7 the member's death, retirement, or participation in the Deferred Retirement Option  
8 Plan.

9 (3) If the member is married, the designated beneficiary for the election  
10 provided for in this Subsection shall be his spouse unless the spouse has consented  
11 to the contrary in writing before a notary public or the spouse cannot be located and  
12 the member submits an original affidavit, signed by him before a notary public, that  
13 evidences good faith efforts to locate the spouse.

14 (4) The election provided for in this Subsection is irrevocable. However, the  
15 election made pursuant to this Subsection terminates, and survivor benefits are  
16 payable as otherwise provided for in this Section, upon the earlier of:

- 17 (a) The death of the mentally disabled child or children.
- 18 (b) The member's retirement or participation in the Deferred Retirement  
19 Option Plan.

20 (5) The survivor benefit eligibility provisions otherwise provided for in this  
21 Section are applicable to the benefits payable pursuant to the election provided for  
22 in this Subsection.

23 §471.1. Survivors' benefits; members hired on or after January 1, 2011

24 \* \* \*

25 B.(1) ~~A~~ Except as provided in Subsection I of this Section, a surviving  
26 spouse with a minor or handicapped child, or mentally disabled child, or children  
27 shall be paid per month, for so long as one or more children remain eligible for  
28 benefits under Subsection C of this Section, fifty percent of the benefit to which the  
29 member would have been entitled if he had retired on the date of his death using the

1 member's applicable accrual rate regardless of years of service or age, or six hundred  
2 dollars per month, whichever is greater, provided the deceased member was an active  
3 member at the time of death and had five or more years of service credit, at least two  
4 years of which were earned immediately prior to death or provided the deceased  
5 member had twenty or more years of service credit regardless of when earned or  
6 whether the deceased member was in active service at the time of death.

7 \* \* \*

8 (1)(1) Any member with a mentally disabled child or children may elect, in  
9 lieu of benefits otherwise provided for in this Section, that survivor benefits be  
10 calculated and paid as if the member retired immediately prior to his death and  
11 selected the option provided for in R.S. 11:446(A)(2)(b).

12 (2) The election provided for in this Subsection shall be duly acknowledged  
13 and filed with the board of trustees. Such election may be made at any time prior to  
14 the member's death, retirement, or participation in the Deferred Retirement Option  
15 Plan.

16 (3) If the member is married, the designated beneficiary for the election  
17 provided for in this Subsection shall be his spouse unless the spouse has consented  
18 to the contrary in writing before a notary public or the spouse cannot be located and  
19 the member submits an original affidavit, signed by him before a notary public, that  
20 evidences good faith efforts to locate the spouse.

21 (4) The election provided for in this Subsection is irrevocable. However, the  
22 election made pursuant to this Subsection terminates, and survivor benefits are  
23 payable as otherwise provided for in this Section, upon the earlier of:

24 (a) The death of the mentally disabled child or children.

25 (b) The member's retirement or participation in the Deferred Retirement  
26 Option Plan.

27 (5) The survivor benefit eligibility provisions otherwise provided for in this  
28 Section are applicable to the benefits payable pursuant to the election provided for  
29 in this Subsection.

- 1 Section 2. The cost of this Act, if any, shall be funded with additional employer  
2 contributions in compliance with Article X, Section 29(F) of the Constitution of Louisiana.
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## 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)]

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HB 19 Engrossed

2021 Regular Session

Mack

**Abstract:** Allows members of the La. State Employees' Retirement System (LASERS) to select an optional survivor benefit for the benefit of a mentally disabled child or children.

Present law provides for payments of survivor benefits to the spouse, minor children, and disabled children of a LASERS member who meets certain criteria and who dies prior to retirement. Provides for determination of the amount of such benefits based on the average compensation of the member.

With respect to a surviving spouse and a mentally disabled child, present law provides that:

- (1) If the member was eligible for membership in one of the state retirement systems prior to Jan. 1, 2011, the spouse receives the greater of 25% of the deceased member's average compensation or \$100, and the surviving disabled child receives the greater of 50% of the deceased member's average compensation or \$200.
- (2) If the member was *not* eligible for membership in one of the state retirement systems prior to Jan. 1, 2011, the spouse receives the greater of 50% of the benefit to which the member would have been entitled if he had retired on the date of his death or \$600, plus 50% of the spouse's benefit for the mentally disabled child.

Present law provides members of LASERS with various options to receive an actuarially reduced retirement benefit payable throughout his life and the life of a surviving beneficiary. One such option provides that a member's reduced benefit continues throughout the life of his designated beneficiary and the life of his mentally disabled child.

Proposed law authorizes a member who has a mentally disabled child to elect to have the terms of present law providing for the retirement benefit option applicable to his survivors if he dies prior to retirement. Provides procedures for and limitations on such an election.

(Amends R.S. 11:471(D)(intro. para.) and 471.1(B)(1); Adds R.S. 11:471(F) and 471.1(I))