

SENATE BILL NO. 24

BY SENATORS PRICE, ABRAHAM, BARROW, BERNARD, BOUDREAUX, BOUIE, CARTER, CLOUD, CORTEZ, FESI, FIELDS, HARRIS, HENRY, HENSGENS, JACKSON, JOHNS, MCMATH, MILLIGAN, FRED MILLS, ROBERT MILLS, MIZELL, MORRIS, PEACOCK, POPE, REESE, SMITH, WARD, WHITE AND WOMACK AND REPRESENTATIVES ADAMS, BACALA, FIRMENT, HARRIS, JEFFERSON AND TARVER

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

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AN ACT

To enact R.S. 11:542.1.2, 883.3.1, 1145.4, and 1331.3, relative to the Louisiana State Employees' Retirement System, Teachers' Retirement System of Louisiana, Louisiana School Employees' Retirement System, and the State Police Retirement System; to provide relative to a permanent benefit increase, a cost-of-living adjustment or other supplemental payment for certain retirees; to provide with respect to a minimum benefit increase to certain retirees, their survivors, and their beneficiaries; to provide relative to the experience account; to provide with respect to calculation and for funding; to provide for qualifications; to provide an effective date; and to provide for related matters.

Notice of intention to introduce this Act has been published.

Be it enacted by the Legislature of Louisiana:

Section 1. R.S. 11:542.1.2, 883.3.1, 1145.4, and 1331.3 are hereby enacted to read as follows:

1           **§542.1.2. 2021 Minimum benefit increase; payment from experience account**

2                   **A. A monthly minimum benefit increase shall be payable to:**

3                   **(1) Each retiree of the system who, on June 30, 2021, meets all of the**  
4                   **following criteria:**

5                   **(a) He has thirty or more years of service credit, exclusive of unused**  
6                   **leave.**

7                   **(b) He has been retired for fifteen years or more.**

8                   **(c) He receives a monthly retirement benefit of less than one thousand**  
9                   **four hundred fifty dollars.**

10                  **(d) He is at least sixty years of age.**

11                  **(e) He has neither participated in the Deferred Retirement Option Plan**  
12                  **pursuant to R.S. 11:447 nor chosen an Initial Benefit Option pursuant to R.S.**  
13                  **11:446(A)(5).**

14                  **(2) Each nonretiree beneficiary receiving a benefit on June 30, 2021,**  
15                  **who, as of June 30, 2021, meets all of the following criteria:**

16                  **(a) The deceased member had thirty or more years of service credit**  
17                  **exclusive of unused leave.**

18                  **(b) The retiree and nonretiree beneficiary, or both combined, have**  
19                  **received a benefit for at least fifteen years.**

20                  **(c) The nonretiree beneficiary receives a monthly retirement benefit of**  
21                  **less than one thousand four hundred fifty dollars.**

22                  **(d) The deceased member would be at least sixty years of age had he**  
23                  **lived.**

24                  **(e) The deceased member neither participated in the Deferred**  
25                  **Retirement Option Plan pursuant to R.S. 11:447 nor chose an Initial Benefit**  
26                  **Option pursuant to R.S. 11:446(A)(5).**

27                  **(3) Any unmarried surviving spouse, any surviving minor child, or any**  
28                  **surviving totally physically handicapped or mentally disabled child of a**  
29                  **deceased member which survivor is receiving a monthly retirement benefit**  
30                  **pursuant to R.S. 11:471 of less than one thousand four hundred fifty dollars if,**

1 on June 30, 2021, all of the following apply to the deceased member:

2 (a) He had at least thirty years of service credit, exclusive of unused  
3 leave.

4 (b) He has been deceased for fifteen years or more.

5 (c) He would have been at least age sixty.

6 (d) He had not participated in the Deferred Retirement Option Plan  
7 pursuant to R.S. 11:447 and had not chosen an Initial Benefit Option pursuant  
8 to R.S. 11:446(A)(5).

9 B. Each person to whom this Section applies, except as provided in  
10 Subsection C of this Section, shall have his current monthly retirement benefit  
11 amount increased by the lesser of:

12 (1) Three hundred dollars.

13 (2) The difference between one thousand four hundred fifty dollars and  
14 his current monthly benefit amount.

15 C.(1) Notwithstanding Subsection B of this Section, if any nonretiree  
16 beneficiary to whom this Section applies is receiving a monthly benefit amount  
17 based upon an optional allowance pursuant to R.S. 11:446(A)(1) through (4),  
18 which amount is less than that received by the retiree while alive, the amount  
19 of the increase that would otherwise be payable pursuant to Subsection B of this  
20 Section shall be prorated based upon the option selected.

21 (2) Notwithstanding Subsection B of this Section, if a survivor to whom  
22 Paragraph (A)(3) of this Section applies is the sole survivor receiving a benefit  
23 pursuant to R.S. 11:471, he shall have his current monthly retirement benefit  
24 increased by the lesser of three hundred dollars or the difference between one  
25 thousand four hundred fifty dollars and his current monthly benefit amount.  
26 If there are multiple survivors to whom Paragraph (A)(3) of this Section  
27 applies, such survivors shall share equally a monthly benefit increase of three  
28 hundred dollars.

29 D. The provisions of this Section shall not apply to any retiree,  
30 nonretiree beneficiary, or survivor receiving a benefit pursuant to a reciprocal

1 agreement recognized by the system.

2 E. The actuarial cost of implementing the provisions of this Section shall  
3 be paid from the employee experience account.

4 F. The increase provided pursuant to this Section shall begin on July 1,  
5 2021.

6 \* \* \*

7 §883.3.1. 2021 Minimum benefit increase; payment from experience account

8 A. A monthly minimum benefit increase shall be payable to:

9 (1) Each retiree of the system who, on June 30, 2021, meets all of the  
10 following criteria:

11 (a) He has thirty or more years of service credit, exclusive of unused  
12 leave.

13 (b) He has been retired for fifteen years or more.

14 (c) He receives a monthly retirement benefit of less than one thousand  
15 four hundred fifty dollars.

16 (d) He is at least sixty years of age.

17 (e) He has neither participated in the Deferred Retirement Option Plan  
18 pursuant to R.S. 11:786 nor chosen an Initial Lump Sum Benefit pursuant to  
19 R.S. 11:783(A)(3).

20 (2) Each nonretiree beneficiary receiving a benefit on June 30, 2021,  
21 who, as of June 30, 2021, meets all of the following criteria:

22 (a) The deceased member had thirty or more years of service credit  
23 exclusive of unused leave.

24 (b) The retiree and nonretiree beneficiary, or both combined, have  
25 received a benefit for at least fifteen years.

26 (c) The nonretiree beneficiary receives a monthly retirement benefit of  
27 less than one thousand four hundred fifty dollars.

28 (d) The deceased member would be at least sixty years of age had he  
29 lived.

30 (e) The deceased member neither participated in the Deferred

1 Retirement Option Plan pursuant to R.S. 11:786 nor chose an Initial Lump Sum  
2 Benefit pursuant to R.S. 11:783(A)(3).

3 (3) Any unmarried surviving spouse or any surviving minor child as that  
4 term is defined in R.S. 11:701, of a deceased member which survivor is receiving  
5 a monthly retirement benefit pursuant to R.S. 11:762 of less than one thousand  
6 four hundred fifty dollars if, on June 30, 2021, all of the following apply to the  
7 deceased member:

8 (a) He had thirty years of service credit, exclusive of unused leave.

9 (b) He has been deceased for fifteen years or more.

10 (c) He would have been at least age sixty.

11 (d) He had not participated in the Deferred Retirement Option Plan  
12 pursuant to R.S. 11:786 and had not chosen an Initial Lump Sum Benefit  
13 pursuant to R.S. 11:783(A)(3).

14 B. Each person to whom this Section applies, except as provided in  
15 Subsection C of this Section, shall have his current monthly retirement benefit  
16 increased by the lesser of:

17 (1) Three hundred dollars.

18 (2) The difference between one thousand four hundred fifty dollars and  
19 his current monthly benefit.

20 C.(1) Notwithstanding Subsection B of this Section, if any nonretiree  
21 beneficiary to whom this Section applies is receiving a monthly benefit amount  
22 based upon an optional allowance pursuant to R.S. 11:783(A)(2), which amount  
23 is less than that received by the retiree while alive, the amount of the monthly  
24 benefit increase that would otherwise be payable pursuant to Subsection B of  
25 this Section shall be prorated based upon the option selected.

26 (2) Notwithstanding Subsection B of this Section, if a survivor to whom  
27 Paragraph (A)(3) of this Section applies is the sole survivor receiving a benefit  
28 pursuant to R.S. 11:762, he shall have his current monthly retirement benefit  
29 increased by the lesser of three hundred dollars or the difference between one  
30 thousand four hundred fifty dollars and his current monthly benefit amount.

1 In the event there are multiple survivors to whom Paragraph (A)(3) of this  
 2 Section applies, such survivors shall share equally a monthly benefit increase  
 3 of three hundred dollars.

4 D. The provisions of this Section shall not apply to any retiree,  
 5 nonretiree beneficiary, or survivor receiving a benefit pursuant to a reciprocal  
 6 agreement recognized by the system.

7 E. The actuarial cost of implementing the provisions of this Section shall  
 8 be paid from the employee experience account.

9 F. The increase provided pursuant to this Section shall begin on July 1,  
 10 2021.

11 \* \* \*

12 §1145.4. 2021 Minimum benefit increase; payment from experience account

13 A. A monthly minimum benefit increase shall be payable to:

14 (1) Each retiree of the system who, on June 30, 2021, meets all of the  
 15 following criteria:

16 (a) He has thirty or more years of service credit, exclusive of unused  
 17 leave.

18 (b) He has been retired for fifteen years or more.

19 (c) He receives a monthly retirement benefit of less than one thousand  
 20 four hundred fifty dollars.

21 (d) He is at least sixty years of age.

22 (e) He has neither participated in the Deferred Retirement Option Plan  
 23 pursuant to R.S. 11:1152 nor chosen an Initial Benefit Retirement Plan  
 24 pursuant to R.S. 11:1152.1.

25 (2) Each nonretiree beneficiary receiving a benefit on June 30, 2021,  
 26 who, as of June 30, 2021, meets all of the following criteria:

27 (a) The deceased member had thirty or more years of service credit  
 28 exclusive of unused leave.

29 (b) The retiree and nonretiree beneficiary, or both combined, have  
 30 received a benefit for at least fifteen years.

1           (c) The nonretiree beneficiary receives a monthly retirement benefit of  
2           less than one thousand four hundred fifty dollars.

3           (d) The deceased member would be at least sixty years of age had he  
4           lived.

5           (e) The deceased member neither participated in the Deferred  
6           Retirement Option Plan pursuant to R.S. 11:1152 nor chose an Initial Benefit  
7           Retirement Plan pursuant to R.S. 11:1152.1.

8           (3) Any unmarried surviving spouse, any surviving minor child, or any  
9           surviving totally physically handicapped or mentally disabled child of a  
10           deceased member which survivor is receiving a monthly retirement benefit  
11           pursuant to R.S. 11:1151 of less than one thousand four hundred fifty dollars  
12           if, on June 30, 2021, all of the following apply to the deceased member:

13           (a) He had at least thirty years of service credit, exclusive of unused  
14           leave.

15           (b) He has been deceased for fifteen years or more.

16           (c) He would have been at least age sixty.

17           (d) He had not participated in the Deferred Retirement Option Plan  
18           pursuant to R.S. 11:1152 and had not chosen an Initial Benefit Retirement Plan  
19           pursuant to R.S. 11:1152.1.

20           B. Each person to whom this Section applies, except as provided in  
21           Subsection C of this Section, shall have his current monthly retirement benefit  
22           amount increased by the lesser of:

23           (1) Three hundred dollars.

24           (2) The difference between one thousand four hundred fifty dollars and  
25           his current monthly benefit amount.

26           C.(1) Notwithstanding Subsection B of this Section, if any nonretiree  
27           beneficiary to whom this Section applies is receiving a monthly benefit amount  
28           based upon an optional allowance pursuant to R.S. 11:1150 which is less than  
29           that received by the retiree while alive, the amount of the increase that would  
30           otherwise be payable pursuant to Subsection B of this Section shall be prorated

1 based upon the option selected.

2 (2) Notwithstanding Subsection B of this Section, if a survivor to whom  
 3 Paragraph (A)(3) of this Section applies is the sole survivor receiving a benefit  
 4 pursuant to R.S. 11:1151, he shall have his current monthly retirement benefit  
 5 increased by the lesser of three hundred dollars or the difference between one  
 6 thousand four hundred fifty dollars and his current monthly benefit amount.  
 7 If there are multiple survivors to whom Paragraph (A)(3) of this Section  
 8 applies, such survivors shall share equally a monthly benefit increase of three  
 9 hundred dollars.

10 D. The provisions of this Section shall not apply to any retiree,  
 11 nonretiree beneficiary, or survivor receiving a benefit pursuant to a reciprocal  
 12 agreement recognized by the system.

13 E. The actuarial cost of implementing the provisions of this Section shall  
 14 be paid from the employee experience account.

15 F. The increase provided pursuant to this Section shall begin on July 1,  
 16 2021.

17 \* \* \*

18 §1331.3. 2021 Nonrecurring benefit payment; payment from experience  
 19 account

20 A. A nonrecurring lump sum shall be payable to:

21 (1) Each retiree of the system, other than a disability retiree, who meets  
 22 all of the following criteria:

23 (a) The retiree, or the retiree and an alternate payee both combined,  
 24 receives a monthly benefit of two thousand five hundred dollars or less.

25 (b) The retiree has attained at least age sixty by June 30, 2021.

26 (c) The retiree has received a benefit for at least one year by June 30,  
 27 2021.

28 (d) The retiree has neither participated in the Deferred Retirement  
 29 Option Plan pursuant to R.S. 11:1307 and R.S. 11:1307.1, Back-Deferred  
 30 Retirement Option Plan pursuant to R.S. 11:1312.1, nor Initial Benefit Option.

1           (e) The retiree was hired prior to September 8, 1978, and retired with  
 2           twenty or more creditable years of service pursuant to the provisions of R.S.  
 3           11:1307(A)(2)(a), or was hired on or after September 8, 1978, and retired with  
 4           twenty-five or more creditable years of service pursuant to the provisions of  
 5           R.S. 11:1307(A)(2)(b).

6           (2) Each nonretiree beneficiary receiving a benefit who meets all of the  
 7           following criteria:

8           (a) The nonretiree beneficiary's benefit is not based upon the death of a  
 9           disability retiree.

10          (b) The benefits had been paid to the retiree or the beneficiary, or both  
 11          combined for at least one year as of June 30, 2021.

12          (c) The retiree would have attained age sixty by June 30, 2021.

13          (d) The retiree for whose benefit the nonretiree is a beneficiary,  
 14          otherwise meets the criteria set forth in Paragraph (A)(1) of this Section.

15          (3) Any person who receives a survivor benefit from the system based  
 16          upon a member's death in the line of duty as of June 30, 2021.

17          (4) Any disability retiree, or a person who receives benefits from the  
 18          system based on the death of a disability retiree, as of June 30, 2021.

19          B. Any benefit increase paid pursuant to the provisions of this Section  
 20          shall be paid from the funds in the system experience account.

21          C. Each person to whom this Section applies shall receive a  
 22          nonrecurring lump sum payment, payable August 31, 2021, that is the lesser of:

23          (1) Three dollars for each month of creditable service plus two dollars  
 24          for each month of retirement up through June 30, 2021.

25          (2) The member's current monthly benefit.

26          D. The actuarial cost of implementing the provisions of this Section shall  
 27          be paid from the employee experience account.

28          Section 2. The cost of this Act shall be funded with monies from the respective  
 29          system's experience account. Any additional cost of this Act shall be funded with additional  
 30          employer contributions in compliance with Article X, Section 29(F) of the Louisiana

1 Constitution.

2 Section 3. This Act shall become effective upon signature by the governor or on

3 June 30, 2021, whichever is earlier.

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PRESIDENT OF THE SENATE

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SPEAKER OF THE HOUSE OF REPRESENTATIVES

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GOVERNOR OF THE STATE OF LOUISIANA

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