2022 Regular Session

SENATE BILL NO. 9

BY SENATOR ROBERT MILLS

AN ACT

To amend and reenact R.S. 11:1755(E)(1)(a) and (5), 1821(E), 1823(22), 1826(B), 1842, 1843, and 2003, to enact R.S. 11:1756(D), and to repeal R.S. 11:1823(23), relative to statewide retirement systems; to provide with respect to administration of and benefits provided by the systems; to provide relative to creditable service, conversion of leave, and benefit payments; to provide relative to the powers, duties, and responsibilities of members of system boards of trustees; to provide for expenditure of system funds; to provide for actuarial investigations; to provide relative to cash deposit available for payment of benefits; to provide for 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. 11:1756(D) is hereby enacted to read as follows:

§1756. Application for benefits; commencement of benefits; payment of benefits

D. If a written application for any benefit is received by the board sixty or fewer days after the date the applicant became eligible for the benefit, benefits shall be paid retroactive to the date of eligibility. If an application for any benefit is received by the board more than sixty days after the date the applicant attained eligibility, retroactive benefits shall be paid only for the sixty days prior to the date the application is received by the board.

Section 2. R.S. 11:1755(E)(1)(a) and (5), 1821(E), 1823(22), 1826(B), 1842, 1843, and 2003 are hereby amended and reenacted to read as follows:

§1755. Creditable service; service certificate; adjusted service date; repayment of withdrawn contributions

Coding: Words which are struck through are deletions from existing law; words in **boldface type and underscored** are additions.
E.(1)(a) The provisions of this Subsection are limited in scope and shall only apply to members of this system whose employing municipality participating employer irrevocably elects such coverage. The board of trustees shall cause to be promulgated all regulations necessary to govern the procedures for municipalities participating employers to irrevocably elect coverage under the provisions of this Subsection.

(5) The actuarial cost of providing the conversion authorized by this Subsection shall be borne solely by and shall be paid to the board by the municipality that employed the member member's employer within thirty days of the date that the member retires.

§1821. Board of trustees; membership; term of office; oath of office; compensation; voting power; vacancies

E. The trustee shall serve without compensation but shall be reimbursed as provided by R.S. 11:181(D). Notwithstanding the exceptions provided in R.S. 42:1102(22) and 1123(41), no trustee shall accept any thing of economic value from any person identified in R.S. 42:1115(A)(1) unless the thing of value is food, drink, or refreshments consumed by the trustee while the personal guest of some person during an educational or professional development seminar or conference.

§1823. Board responsibilities; powers and duties

Each board member shall discharge his fiduciary duties solely in the interest of the system's members and beneficiaries and for the exclusive purpose of providing benefits to the members and their beneficiaries, and defraying reasonable expenses of administering the system, with the care, skill, prudence, and diligence under the circumstances then prevailing that a prudent man acting in a like capacity and familiar with such matters would use in the conduct of an enterprise of a like character and with like aims. The board shall have the following powers and duties
in administering the system:

* * *

(22) To include in the financial statement submitted to the legislature pursuant to R.S. 11:171(A) an itemized schedule of all amounts paid by the system to or on behalf of the system’s board members:

(23) To deduct monthly life and health insurance premiums from the benefits payable to any retiree or other beneficiary and to transmit them to the agency to which the premiums are due. The board shall have full authority to formulate and promulgate any and all necessary rules and regulations to facilitate these deductions, including but not limited to requirements for written documentation for deductions.

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§1826. Actuary

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B. Immediately after the revision date In Fiscal Year 2023-2024, and at least once every three five years thereafter, the actuary shall make an actuarial investigation of the members as to mortality, disability, retirement, separation, marital status of employees, marriage of surviving spouses, interest, and employee earning rates.

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§1842. Board of trustees as custodian of funds

A: The board of trustees shall be the custodian of the several funds. All expense vouchers and pension payrolls shall be certified by the administrative director. The administrative director shall furnish the board of trustees a surety bond in a company authorized to do business in Louisiana and in such an amount as shall be required by the board, the premium to be paid from the expenses of the fund.

B: The board shall not authorize the use of system funds to pay for a board member’s attendance at more than one educational or professional development seminar or conference per fiscal year held outside of the state of Louisiana. The board shall not authorize the use of system funds to pay for a board member’s attendance at any educational or professional development seminar or conference held within the state of Louisiana.

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that is not affiliated with an association related to state retirement systems.

§1843. Cash deposit for payment of benefits

For the purpose of meeting disbursements for pensions, annuities, and other payments there may be kept available cash, not exceeding one ten percent of the total amount in the several funds of the retirement system, on deposit in one or more banks or trust companies of the state of Louisiana organized under the laws of the state of Louisiana or of the United States, provided, that the sum on deposit in any one bank or trust company shall not exceed ten percent of the paid up capital and surplus of such bank or trust company.

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§2003. Cash deposit for payment of benefits

For the purpose of meeting disbursements for pensions, annuities, and other payments there may be kept available cash, not exceeding one per centum ten percent of the total amount in the several funds of the retirement system, on deposit in one or more banks or trust companies of the state of Louisiana organized under the laws of the state of Louisiana or of the United States, provided, that the sum on deposit in any one bank or trust company shall not exceed ten percent of the paid up capital and surplus of such bank or trust company.

Section 3. R.S. 11:1823(23) is hereby repealed.

Section 4. This Act shall become effective on June 30, 2022; if vetoed by the governor and subsequently approved by the legislature, this Act shall become effective on June 30, 2022, or on the day following such approval by the legislature, whichever is later.

PRESIDENT OF THE SENATE

SPEAKER OF THE HOUSE OF REPRESENTATIVES

GOVERNOR OF THE STATE OF LOUISIANA

APPROVED: ____________

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