

SENATE BILL NO. 2

BY SENATORS PEACOCK, ALARIO, BOUDREAUX, CARTER, CHABERT, CLAITOR, COLOMB, CORTEZ, FANNIN, HEWITT, JOHNS, LONG, MARTINY, MILKOVICH, MILLS, MIZELL, PERRY, RISER, GARY SMITH, TARVER, THOMPSON, WALSWORTH AND WHITE

AN ACT

To enact R.S. 11:542.2, 883.4, 1145.3, and 1332.1, to authorize payments funded by state retirement system experience accounts to certain retirees and beneficiaries; to provide qualifications for receipt of such payments; to provide relative to the amount of such payments; 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. 11:542.2, 883.4, 1145.3, and 1332.1 are hereby enacted to read as follows:

§542.2. Permanent benefit increase; payable July 1, 2016

A. Notwithstanding any provision of R.S. 11:542 to the contrary, the board of trustees of the Louisiana State Employees' Retirement System may grant a permanent benefit increase, funded exclusively with money from the experience account and payable July 1, 2016, to the following retirees and beneficiaries:

(1) Any retiree, other than a disability retiree, who has attained at least age sixty and who has received a benefit for at least one year.

1 (2) Any nonretiree beneficiary whose receipt of benefits is not based on
 2 the death of a disability retiree, if benefits have been paid to the retiree or the
 3 beneficiary or to both combined for at least one year, and if the retiree would
 4 have attained age sixty.

5 (3) Any disability retiree or any nonretiree beneficiary who receives
 6 benefits based on the death of a disability retiree, if benefits have been paid to
 7 the retiree or beneficiary or to both combined for at least one year.

8 B. The increase authorized by this Section shall be payable only on the
 9 first sixty thousand dollars of a retiree or beneficiary's benefit and shall be an
 10 amount determined by the system's actuary with the agreement of the
 11 legislative auditor's actuary that is supported by the experience account balance
 12 after any credits or debits to the account pursuant to R.S. 11:542 up to a
 13 maximum payment of one and one-half percent of the eligible benefit amount.

14 * * *

15 §883.4. Permanent benefit increase; payable July 1, 2016

16 A. Notwithstanding any provision of R.S. 11:883.1 to the contrary, the
 17 board of trustees of the Teachers' Retirement System of Louisiana may grant
 18 a permanent benefit increase, funded exclusively with money from the
 19 experience account and payable July 1, 2016, to the following retirees and
 20 beneficiaries:

21 (1) Any retiree, other than a disability retiree, who has attained at least
 22 age sixty and who has received a benefit for at least one year.

23 (2) Any nonretiree beneficiary whose receipt of benefits is not based on
 24 the death of a disability retiree, if benefits have been paid to the retiree or the
 25 beneficiary or to both combined for at least one year, and if the retiree would
 26 have attained age sixty.

27 (3) Any disability retiree or any nonretiree beneficiary who receives
 28 benefits based on the death of a disability retiree, if benefits have been paid to
 29 the retiree or beneficiary or to both combined for at least one year.

30 B. The increase authorized by this Section shall be payable only on the

1 first sixty thousand dollars of a retiree or beneficiary's benefit and shall be an
 2 amount determined by the system's actuary with the agreement of the
 3 legislative auditor's actuary that is supported by the experience account balance
 4 after any credits or debits to the account pursuant to R.S. 11:883.1 up to a
 5 maximum payment of one and one-half percent of the eligible benefit amount.

6 * * *

7 §1145.3. Cost-of-living adjustment; payable July 1, 2016

8 A. Notwithstanding any provision of R.S. 11:1145.1 to the contrary, the
 9 board of trustees of the Louisiana School Employees' Retirement System may
 10 grant a cost-of-living adjustment, funded exclusively with money from the
 11 experience account and payable July 1, 2016, to the following retirees and
 12 beneficiaries:

13 (1) Any retiree, other than a disability retiree, who has attained at least
 14 age sixty and who has received a benefit for at least one year.

15 (2) Any nonretiree beneficiary whose receipt of benefits is not based on
 16 the death of a disability retiree, if benefits have been paid to the retiree or the
 17 beneficiary or to both combined for at least one year, and if the retiree would
 18 have attained age sixty.

19 (3) Any disability retiree or any nonretiree beneficiary who receives
 20 benefits based on the death of a disability retiree, if benefits have been paid to
 21 the retiree or beneficiary or to both combined for at least one year.

22 B. The increase authorized by this Section shall be payable only on the
 23 first sixty thousand dollars of a retiree or beneficiary's benefit and shall be an
 24 amount determined by the system's actuary with the agreement of the
 25 legislative auditor's actuary that is supported by the experience account balance
 26 after any credits or debits to the account pursuant to R.S. 11:1145.1 up to a
 27 maximum payment of two percent of the eligible benefit amount.

28 * * *

29 §1332.1. Cost-of-living adjustment; payable July 1, 2016

30 A. Notwithstanding any provision of R.S. 11:1332 to the contrary, the

1 board of trustees of the State Police Retirement System may grant a
 2 cost-of-living adjustment, funded exclusively with money from the experience
 3 account and payable July 1, 2016, to the following retirees and beneficiaries:

4 (1) Any retiree, other than a disability retiree, who has attained at least
 5 age sixty and who has received a benefit for at least one year.

6 (2) Any nonretiree beneficiary whose receipt of benefits is not based on
 7 the death of a disability retiree, if benefits have been paid to the retiree or the
 8 beneficiary or to both combined for at least one year and if the retiree would
 9 have attained age sixty.

10 (3) Any disability retiree or any nonretiree beneficiary who receives
 11 benefits based on the death of a disability retiree, if benefits have been paid to
 12 the retiree or beneficiary or to both combined for at least one year.

13 B. The increase authorized by this Section shall be payable only on the
 14 first sixty thousand dollars of a retiree or beneficiary's benefit and shall be an
 15 amount determined by the system's actuary with the agreement of the
 16 legislative auditor's actuary that is supported by the experience account balance
 17 after any credits or debits to the account pursuant to R.S. 11:1332 up to a
 18 maximum payment of two percent of the eligible benefit amount.

19 C. Notwithstanding any provision of R.S. 11:1332 to the contrary, the
 20 board of trustees of the State Police Retirement System may grant a
 21 supplemental cost-of-living adjustment in accordance with R.S. 11:1332(F) to
 22 all retirees and beneficiaries who are at least age sixty-five and who retired on
 23 or before June 30, 2001, funded exclusively with money from the experience
 24 account and payable July 1, 2016.

25 Section 2. Any cost of this Act not funded by payments made pursuant to the
 26 provisions of Section 1 of this Act shall be funded with additional employer contributions
 27 in compliance with Article X, Section 29(F) of the Constitution of Louisiana.

28 Section 3. This Act shall take effect and become operative if and when the Acts
 29 which originated as Senate Bill No. 5 and Senate Bill No. 18 of the 2016 Regular Session
 30 of the Legislature are enacted and become effective.

1 Section 4. This Act shall become effective on June 30, 2016; if vetoed by the
2 governor and subsequently approved by the legislature, this Act shall become effective on
3 June 30, 2016, 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: _____