

2016 Regular Session

HOUSE BILL NO. 32

BY REPRESENTATIVES JONES, ARMES, BACALA, BAGLEY, BILLIOT, BOUIE, TERRY BROWN, CARPENTER, ROBBY CARTER, COX, FRANKLIN, GAINES, HALL, HAZEL, HILL, HOWARD, HUNTER, JACKSON, JAMES, JEFFERSON, JENKINS, ROBERT JOHNSON, TERRY LANDRY, MACK, MAGEE, MARCELLE, MCFARLAND, MIGUEZ, DUSTIN MILLER, MONTOUCET, MORENO, NORTON, PIERRE, POPE, PRICE, PYLANT, REYNOLDS, SEABAUGH, SHADOIN, SMITH, WILLMOTT, AND ZERINGUE AND SENATORS ALARIO, ALLAIN, BARROW, BISHOP, BOUDREAUX, COLOMB, CORTEZ, ERDEY, FANNIN, GATTI, HEWITT, LUNEAU, MILKOVICH, MILLS, MIZELL, MORRISH, PEACOCK, RISER, JOHN SMITH, THOMPSON, WARD, AND WHITE

1 AN ACT

2 To enact R.S. 11:542.2, 883.4, 1145.3, and 1331.2, relative to state retirement system
3 experience accounts; to debit funds from such accounts to pay a benefit increase to
4 certain retirees and beneficiaries of state systems; to provide qualifications for
5 receipt of such payments; to provide relative to the amount of such payments; and
6 to provide for related 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. 11:542.2, 883.4, 1145.3, and 1331.2 are hereby enacted to read as
12 follows:

13 §542.2. Permanent benefit increase; payable beginning July 1, 2016

14 A. Notwithstanding any provision of R.S. 11:542 to the contrary, the board
15 of trustees of the Louisiana State Employees' Retirement System may pay a
16 permanent benefit increase, payable beginning July 1, 2016, to the following retirees
17 and beneficiaries:

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

1 (2) Any nonretiree beneficiary, if benefits had been paid to the retiree or the
2 beneficiary, or both combined, for at least one year and if the retiree would have
3 attained age sixty.

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

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

9 C. The amount of the increase authorized by this Section shall be an amount
10 determined by the system's actuary that is supported by the funds in the experience
11 account up to a maximum payment of one and one-half percent of the benefit
12 amount. The funds in the account shall be sufficient to fund such benefit fully on an
13 actuarial basis. If the legislative auditor's actuary disagrees with the determination
14 of the system's actuary, a permanent benefit increase shall not be granted.

15 D. The increase provided for in this Section shall be payable only on the first
16 sixty thousand dollars of a retiree or beneficiary's benefit.

17 * * *

18 §883.4. Permanent benefit increase; payable beginning July 1, 2016

19 A. Notwithstanding any provision of R.S. 11:883.1 to the contrary, the board
20 of trustees of the Teachers' Retirement System of Louisiana may pay a permanent
21 benefit increase, payable beginning July 1, 2016, to the following retirees and
22 beneficiaries:

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

25 (2) Any nonretiree beneficiary, if benefits had been paid to the retiree or the
26 beneficiary, or both combined, for at least one year and if the retiree would have
27 attained age sixty.

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

CODING: Words in ~~struck through~~ type are deletions from existing law; words underscored are additions.

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

3 C. The amount of the increase authorized by this Section shall be an amount
4 determined by the system's actuary that is supported by the funds in the experience
5 account up to a maximum payment of one and one-half percent of the benefit
6 amount. The funds in the account shall be sufficient to fund such benefit fully on an
7 actuarial basis. If the legislative auditor's actuary disagrees with the determination
8 of the system's actuary, a permanent benefit increase shall not be granted.

9 D. The increase provided for in this Section shall be payable only on the first
10 sixty thousand dollars of a retiree or beneficiary's benefit.

11 * * *

12 §1145.3. Cost-of-living adjustment; payable beginning July 1, 2016

13 A. Notwithstanding any provision of R.S. 11:1145.1 to the contrary, the
14 board of trustees of the Louisiana School Employees' Retirement System may pay
15 a cost-of-living adjustment, payable beginning July 1, 2016, to the following retirees
16 and beneficiaries:

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

19 (2) Any nonretiree beneficiary, if benefits had been paid to the retiree or the
20 beneficiary, or both combined, for at least one year and if the retiree would have
21 attained age sixty.

22 (3) Any disability retiree or a person who receives benefits from the system
23 based on the death of a disability retiree, if benefits have been paid to the retiree or
24 the beneficiary, or both combined, for at least one year.

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

27 C. The amount of the increase authorized by this Section shall be an amount
28 determined by the system's actuary that is supported by the funds in the experience
29 account up to a maximum payment of two percent of the benefit amount. The funds
30 in the account shall be sufficient to fund such benefit fully on an actuarial basis. If

1 the legislative auditor's actuary disagrees with the determination of the system's
2 actuary, a cost-of-living adjustment shall not be granted.

3 D. The increase provided for in this Section shall be payable only on the first
4 sixty thousand dollars of a retiree or beneficiary's benefit.

5 * * *

6 §1331.2. Cost-of-living adjustment; payable beginning July 1, 2016

7 A. Notwithstanding any provision of R.S. 11:1332 to the contrary, the board
8 of trustees of the State Police Retirement System may pay a cost-of-living
9 adjustment, payable beginning July 1, 2016, as follows:

10 (1) In accordance with Subsection C of this Section, the board may pay a
11 cost-of-living adjustment to the following retirees and beneficiaries:

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

14 (b) Any nonretiree beneficiary, if benefits had been paid to the retiree or the
15 beneficiary, or both combined, for at least one year and if the retiree would have
16 attained age sixty.

17 (c) Any disability retiree or a person who receives benefits from the system
18 based on the death of a disability retiree, if benefits have been paid to the retiree or
19 the beneficiary, or both combined, for at least one year.

20 (2) In accordance with Subsection D of this Section, the board may pay a
21 supplemental cost-of-living adjustment to all retirees and beneficiaries who are at
22 least age sixty-five and who retired on or before June 30, 2001.

23 B. Any benefit increases paid pursuant to the provisions of this Section shall
24 be paid from the funds in the system experience account.

25 C. The amount of the increase authorized by Paragraph (A)(1) of this Section
26 shall be an amount determined by the system's actuary that is supported by the funds
27 in the experience account after any credits or debits to the account up to a maximum
28 payment of two percent of the benefit amount. The funds in the account shall be
29 sufficient to fund such benefit fully on an actuarial basis. If the legislative auditor's

1 actuary disagrees with the determination of the system's actuary, a cost-of-living
2 adjustment shall not be granted.

3 D. The amount of the increase authorized by Paragraph (A)(2) of this Section
4 shall be an amount determined by the system's actuary that is supported by the funds
5 in the experience account after payment of the increase granted pursuant to
6 Paragraph (A)(1) of this Section up to a maximum payment of two percent of the
7 benefit amount. The funds in the account shall be sufficient to fund such benefit
8 fully on an actuarial basis. If the legislative auditor's actuary disagrees with the
9 determination of the system's actuary, such cost-of-living adjustment shall not be
10 granted.

11 E. The increases provided for in this Section shall be payable only on the
12 first sixty thousand dollars of a retiree or beneficiary's benefit.

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

16 Section 3. This Act shall become effective on June 30, 2016; if vetoed by the
17 governor and subsequently approved by the legislature, this Act shall become effective on
18 June 30, 2016, or on the day following such approval by the legislature, whichever is later.

SPEAKER OF THE HOUSE OF REPRESENTATIVES

PRESIDENT OF THE SENATE

GOVERNOR OF THE STATE OF LOUISIANA

APPROVED: _____