

2020 Regular Session

SENATE BILL NO. 18

BY SENATOR PEACOCK

RETIREMENT SYSTEMS. Provides relative to retirement eligibility for certain members of state retirement systems. (6/30/20)

1 AN ACT  
2 To amend and reenact R.S. 11:441(A)(2)(c), 461(B)(3)(c), 726(B)(2), 761(A)(4) and (5),  
3 765(A)(2), 780(A), 786(A)(4), 802(B), 1141(A), 1142(C), and 1147(C)(4)(b), to  
4 enact R.S. 11:131, 441(A)(2)(d), 461(B)(3)(d), 726(B)(3), 761(A)(6), 765(A)(3),  
5 786(A)(5), 802(C), 1142(D), and 1147(C)(4)(c), and to repeal R.S. 11:132, relative  
6 to retirement eligibility for certain new members of the Louisiana State Employees'  
7 Retirement System, the Teachers' Retirement System of Louisiana, and the Louisiana  
8 School Employees' Retirement System; to establish new retirement eligibility for  
9 certain members employed on or after July 1, 2020; to provide relative to disability  
10 retirements; to provide for an effective date; and to provide for related matters.

11 Notice of intention to introduce this Act has been published.

12 Be it enacted by the Legislature of Louisiana:

13 Section 1. R.S. 11:441(A)(2)(c), 461(B)(3)(c), 726(B)(2), 761(A)(4) and (5),  
14 765(A)(2), 780(A), 786(A)(4), 802(B), 1141(A), 1142(C), and 1147(C)(4)(b) are hereby  
15 amended and reenacted and R.S. 11:131, 441(A)(2)(d), 461(B)(3)(d), 726(B)(3), 761(A)(6),  
16 765(A)(3), 786(A)(5), 802(C), 1142(D), and 1147(C)(4)(c) are hereby enacted to read as  
17 follows:



1 leave, actuarially reduced from the earliest age that he would normally become  
2 eligible for a regular retirement benefit under Item (i) of this Subparagraph if he had  
3 continued in service to that age. Any employee who elects to retire under the  
4 provisions of this Item shall not be eligible to participate in the Deferred Retirement  
5 Option Plan provided by R.S. 11:447 or the Initial Benefit Option provided by R.S.  
6 11:446.

7 **(d) Except for members of the Hazardous Duty Services Plan, as defined**  
8 **in R.S. 11:612, any member whose first employment making him eligible for**  
9 **membership in one of the state systems occurred on or after July 1, 2020,**  
10 **including any judge, court officer, governor, lieutenant governor, clerk or**  
11 **sergeant-at-arms of the House of Representatives, secretary or sergeant-at-arms**  
12 **of the Senate, or state treasurer, shall be eligible for retirement if he has:**

13 **(i) Five years or more of service, at age sixty-seven or the age of**  
14 **retirement set by the Social Security Administration, whichever is greater, or**  
15 **thereafter.**

16 **(ii) Forty years or more of service, at age sixty-two or thereafter.**

17 **(iii) Twenty years of service credit at any age, exclusive of military**  
18 **service and unused annual and sick leave, but any person retiring under this**  
19 **Item shall have his benefit, inclusive of military service credit and allowable**  
20 **unused annual and sick leave, actuarially reduced from the earliest age that he**  
21 **would normally become eligible for a regular retirement benefit under Item (i)**  
22 **of this Subparagraph if he had continued in service to that age. Any employee**  
23 **who elects to retire under the provisions of this Item shall not be eligible to**  
24 **participate in the Deferred Retirement Option Plan provided by R.S. 11:447 or**  
25 **the Initial Benefit Option provided by R.S. 11:446.**

26 \* \* \*

27 §461. Eligibility; certification

28 \* \* \*

29 B. The board of trustees shall award disability benefits to eligible members

1 who have been officially certified as disabled by the State Medical Disability Board.

2 The disability benefit shall be determined as follows:

3 \* \* \*

4 (3) \* \* \*

5 (c) Any person who has not attained the age of sixty-two and whose first  
6 employment making him eligible for membership in one of the state systems  
7 occurred on or after July 1, 2015, **and on or before June 30, 2020**, shall receive a  
8 disability benefit equal to two and one-half percent of average compensation for  
9 every year of creditable service. When the disability retiree attains the age of sixty-  
10 two, he shall receive his regular retirement benefit upon making application therefor  
11 to the board.

12 **(d) Any person who has not attained the age set forth pursuant to R.S.**  
13 **11:441(A)(2)(d)(i) and whose first employment making him eligible for**  
14 **membership in one of the state systems occurred on or after July 1, 2020, shall**  
15 **receive a disability benefit equal to two and one-half percent of average**  
16 **compensation for every year of creditable service. When the disability retiree**  
17 **attains the age required by R.S. 11:441(A)(2)(d)(i), he shall receive his regular**  
18 **retirement benefit upon making application therefor to the board.**

19 \* \* \*

20 §726. Termination of membership; withdrawal from service after five years; regular  
21 retirement

22 \* \* \*

23 B. \* \* \*

24 (2) Any member whose first employment making him eligible for  
25 membership in one of the state systems occurred on or after July 1, 2015, **and on or**  
26 **before June 30, 2020**, who has credit for five or more years of service may  
27 withdraw from service and elect to leave his accumulated contributions in the system  
28 and, upon reaching age sixty-two, he shall receive a retirement allowance based on  
29 the credits he had at the time of his withdrawal from service.







1 by the board of trustees. The periodic reexaminations may be discontinued upon  
 2 advice of the medical board that the retiree's condition is either terminal or that  
 3 chances of recovery are highly improbable. If any such disability retiree refuses to  
 4 submit to at least one medical examination in any such year by a physician or  
 5 physicians designated by the board of trustees, his allowance may be discontinued  
 6 until his withdrawal of such refusal; but if his refusal continues for one year, all of  
 7 his rights in and to his pension may be revoked by the board of trustees.

8 \* \* \*

9 §786. Deferred Retirement Option Plan

10 A. \* \* \*

11 (4) Any member of this system whose first employment making him eligible  
 12 for membership in one of the state retirement systems occurred on or after July 1,  
 13 2015, **and on or before June 30, 2020**, who has at least five years of service credit  
 14 and is at least age sixty-two may elect to participate in the Deferred Retirement  
 15 Option Plan.

16 **(5) Any member of this system whose first employment making him**  
 17 **eligible for membership in one of the state retirement systems occurred on or**  
 18 **after July 1, 2020, who has at least five years of service credit and has attained**  
 19 **the age required by R.S. 11:761(A)(5) may elect to participate in the Deferred**  
 20 **Retirement Option Plan.**

21 \* \* \*

22 §802. Eligibility for regular retirement

23 \* \* \*

24 B. Any member covered by R.S. 11:801 whose first employment making him  
 25 eligible for membership in a state system occurred on or after July 1, 2015, **and on**  
 26 **or before June 30, 2020**, shall be eligible to retire if he has at least:

- 27 (1) Five years of creditable service, and is at least age sixty-two.  
 28 (2) Twenty years of service credit at any age, exclusive of unused annual and  
 29 sick leave and military service other than qualified military service as provided in 26



1 U.S.C. 414(u) earned on or after December 12, 1994, but any person retiring under  
 2 this Paragraph shall have his benefit, inclusive of military service credit and  
 3 allowable unused annual and sick leave, actuarially reduced from the earliest age that  
 4 he would normally become eligible for a regular retirement benefit under Paragraph  
 5 (1) of this Subsection if he had continued in service to that age. Any member who  
 6 elects to retire under the provisions of this Paragraph shall not be eligible to  
 7 participate in the Deferred Retirement Option Plan provided by R.S. 11:786 or the  
 8 Initial Lump-Sum Benefit option provided by R.S. 11:783.

9 **C. Any member covered by R.S. 11:801 whose first employment making**  
 10 **him eligible for membership in a state system occurred on or after July 1, 2020,**  
 11 **shall be eligible to retire if he has at least:**

12 **(1) Five years of creditable service, and is at least age sixty-seven or the**  
 13 **age of retirement set by the Social Security Administration, whichever is**  
 14 **greater.**

15 **(2) Forty years of creditable service, and is at least age sixty-two.**

16 **(3) Twenty years of service credit at any age, exclusive of unused annual**  
 17 **and sick leave and military service other than qualified military service as**  
 18 **provided in 26 U.S.C. 414(u) earned on or after December 12, 1994, but any**  
 19 **person retiring under this Paragraph shall have his benefit, inclusive of military**  
 20 **service credit and allowable unused annual and sick leave, actuarially reduced**  
 21 **from the earliest age that he would normally become eligible for a regular**  
 22 **retirement benefit under Paragraph (1) of this Subsection if he had continued**  
 23 **in service to that age. Any member who elects to retire under the provisions of**  
 24 **this Paragraph shall not be eligible to participate in the Deferred Retirement**  
 25 **Option Plan provided by R.S. 11:786 or the Initial Lump-Sum Benefit option**  
 26 **provided by R.S. 11:783.**

27 \* \* \*

28 §1141. Retirement benefits; application; eligibility requirements; effective date;  
 29 cancellation

1           A.(1) Any member whose first employment making him eligible for  
2 membership in one of the state systems occurred on or before June 30, 2010, may  
3 retire upon written application to the board of trustees, if the member at the time of  
4 application has attained the age of sixty years and has credit for ten years of  
5 accredited service or has attained the age of fifty-five years and has credit for  
6 twenty-five or more years of accredited service or at any age with thirty or more  
7 years of accredited service.

8           (2) Any member whose first employment making him eligible for  
9 membership in one of the state systems occurred on or after July 1, 2010, and on or  
10 before June 30, 2015, may retire upon written application to the board of trustees, if  
11 the member at the time of application has attained the age of sixty years and has  
12 credit for five years of accredited service.

13           (3) Any member whose first employment making him eligible for  
14 membership in one of the state systems occurred on or after July 1, 2015, **and on or**  
15 **before June 30, 2020,** may retire upon written application to the board of trustees,  
16 if the member at the time of application has attained the age of sixty-two years and  
17 has credit for five years of accredited service.

18           (4) Any member whose first employment making him eligible for  
19 membership in one of the state systems occurred on or after July 1, 2020, may  
20 retire upon written application to the board of trustees, if the member at the  
21 time of application has attained the age of sixty-seven or the age of retirement  
22 set by the Social Security Administration, whichever is greater, and has credit  
23 for five years of accredited service.

24           (5) An application for retirement shall be officially filed with the board when  
25 received in the office of the director. Retirement benefits shall become effective as  
26 of the date an application for retirement is filed in the office of the director or the day  
27 after the member terminates from service, whichever is later. A member may cancel  
28 his application for retirement only prior to negotiating, cashing, or depositing any  
29 benefit check including an estimated benefit check.

1 \* \* \*

2 §1142. Withdrawal from service; retirement allowance

3 \* \* \*

4 C. Any member whose first employment making him eligible for  
5 membership in one of the state systems occurred on or after July 1, 2015, and on or  
6 before June 30, 2020, who has credit for five or more years of regular, full-time  
7 service may withdraw from service and elect to leave his accumulated contributions  
8 in the system and upon reaching age sixty-two, he shall be eligible to receive a  
9 retirement allowance based on the credits he had at the time of his withdrawal from  
10 service.

11 D. Any member whose first employment making him eligible for  
12 membership in one of the state systems occurred on or after July 1, 2020, who  
13 has credit for five or more years of regular, full-time service may withdraw  
14 from service and elect to leave his accumulated contributions in the system and  
15 upon reaching age sixty-seven or the age of retirement set by the Social Security  
16 Administration, whichever is greater, he shall be eligible to receive a retirement  
17 allowance based on the credits he had at the time of his withdrawal from  
18 service.

19 \* \* \*

20 §1147. Disability retirement

21 \* \* \*

22 C. \* \* \*

23 (4) \* \* \*

24 (b) Regardless of the effective date of his retirement and notwithstanding the  
25 provisions of R.S. 11:220(A) and 221(C), a disability retiree whose first employment  
26 making him eligible for membership in one of the state systems occurred on or after  
27 July 1, 2015, and on or before June 30, 2020, shall no longer be required to submit  
28 to regular medical exams ~~nor or~~ to file the annual income report upon attainment of  
29 age sixty-two.



- (1) For a person whose first employment date is between January 1st and June 30th, inclusive, the January 2nd of the year immediately preceding the year he is first employed.
- (2) For a person whose first employment date is between July 1st and December 31st, inclusive, the January 2nd of the year he is first employed.

#### DISABILITY

Present law provides that members of LASERS rank-and-file, TRSL, and LSERS who become disabled are required to have a physician certify their continued total disability every three years until they attain age 62. Proposed law retains present law for all members whose first employment making them eligible for membership in a state retirement system occurred prior to July 1, 2020. Proposed law further provides that for all members whose first employment making them eligible for membership in a state retirement system occurred on or after July 1, 2020, such certification must continue until the member attains age 67.

Effective June 30, 2020.

(Amends R.S. 11:441(A)(2)(c), 461(B)(3)(c), 726(B)(2), 761(A)(4) and (5), 765(A)(2), 780(A), 786(A)(4), 802(B), 1141(A), 1142(C), and 1147(C)(4)(b); adds R.S. 11:131, 441(A)(2)(d), 461(B)(3)(d), 726(B)(3), 761(A)(6), 765(A)(3), 786(A)(5), 802(C), 1142(D), and 1147(C)(4)(c); repeals R.S. 11:132)