
The original instrument and the following digest, which constitutes no part of the legislative instrument, were prepared by Angela L. De Jean.

SB 513 Original

DIGEST
2020 Regular Session

Reese

Present law, applicable to the Parochial Employees Retirement System (PERS), provides that any person who has retired under the provisions of present law may be temporarily employed by an employer participating in the plan, subject to certain limitations. If a retiree is under age 65 or has not been retired at least three years, he may be employed no more than 480 hours in a calendar year. If a retiree is age 65 or older and has been retired at least three years, he may be employed no more than 1,040 hours in a calendar year. However, if the retiree is employed longer than the maximum hours stated above, his retirement benefit will be reduced by the amount earned after the allowed number of hours.

Present law provides that if the retired member, who is otherwise eligible, becomes permanently employed by an employer participating in PERS, the retired member and the employer shall immediately notify the board of the retiree's date of employment, the amount of his monthly salary, any changes in salary, number of hours employed per week, estimated duration of employment, and date of termination of employment. However, present law shall not apply to retirees who are elected to office and are prohibited from joining PERS under present law.

Present law provides that at the time the retired member returns to permanent employment, the benefit of the retiree shall be suspended, and he shall be considered as returning to active service and employee and employer contributions shall resume.

Present law provides that upon subsequent termination of employment of a retired contributing member, the retired contributing member shall begin receiving his original retirement benefit and shall receive an additional benefit based on his additional service and the compensation earned during the period of additional service.

Present law provides that notwithstanding the provisions of present law, if a retired member of the system is subsequently elected to an office covered by the system, 60 days after taking the oath of office his monthly retirement benefit shall be reduced by the amount of his monthly earnings.

Proposed law provides that notwithstanding present law, in a parish with a population of no more than 50,000, according to the latest federal decennial census, any retiree of PERS who has been retired from service for at least one year and who returns to active service in a critical shortage position shall not have his retirement benefit suspended during his reemployment. A retiree shall not be allowed to return to active service in a full-time position covered by the provisions of proposed law prior to the lapse of 12 months after the effective date of his retirement.

Proposed law provides that no member of PERS who retires based on a disability shall return to service pursuant to the provisions of proposed law. Disability retirees shall be governed by the

provisions of present law applicable to disability retirees.

Proposed law provides that during the period of his return to active service pursuant to proposed law, the reemployed retiree and his employer shall make contributions to the retirement system as provided by proposed law. However, the reemployed retiree shall receive no additional service credit and shall not accrue any additional benefits in the retirement system.

Proposed law provides that after termination of active service and upon application therefor, the retiree shall be refunded the employee contributions paid during reemployment. The refund shall be without interest. The retirement system shall retain all interest and employer contributions.

Proposed law provides that the employing agency that elects to reemploy a retiree pursuant to proposed law shall certify to the retirement system that a critical shortage of skilled employees exists in the parish of such employer.

Proposed law provides that a retiree who is employed pursuant to proposed law shall not receive a benefit during the period of his reemployment unless and until the board of trustees of PERS has received certification that a critical shortage exists. Prior to making such certification for any full-time critical shortage position, the employer shall cause to be advertised in the official journal of the employer's governing authority, on two separate occasions, notice that a critical shortage of skilled employees exists and the positions sought to be filled.

Proposed law provides that additionally, the employer shall cause notice to be posted at the career development office, or similar such entity, of every post-secondary institution and the regional office of the La. Workforce Commission, within a 120-mile radius of the employer's governing authority.

Proposed law provides that if a qualified applicant who is not a retiree applies for an advertised position, such person shall be hired before any qualified retiree is employed, unless fewer than three applicants have applied for the position each of whom is qualified for the critical shortage position being filled.

Effective August 1, 2020.

(Adds R.S. 11:1928(E))