

SENATE COMMITTEE AMENDMENTS

2020 Regular Session

Amendments proposed by Senate Committee on Retirement to Engrossed House Bill No. 8 by Representative Bourriaque

1 AMENDMENT NO. 1

2 On page 1, line 1, after "enact" delete the remainder of the line and insert "R.S. 11:710(E)
3 and 710.1, relative to the"

4 AMENDMENT NO. 2

5 On page 1, line 10, after "R.S. 11:710" delete the remainder of the line and insert "11:710(E)
6 and 710.1 are hereby enacted to read as follows:"

7 AMENDMENT NO. 3

8 On page 1, at the end of line 11 insert "on or before June 30, 2020"

9 AMENDMENT NO. 4

10 On page 1, delete lines 15 through 20, and insert the following:

11 "E. Notwithstanding any other provisions of law to the contrary, the
12 provisions of this Section shall be applicable only to a retiree who returns to
13 active service with an employer covered by the provisions of this Chapter on or
14 before June 30, 2020, and any retiree covered under Subparagraph A(6)(a) of
15 this Section.

16 § 710.1. Employment of retirees on or after July 1, 2020

17 A. Except as provided in Paragraph C(1) of this Section, any retiree who
18 returns to active service with an employer covered by the provisions of this
19 Chapter on or after July 1, 2020, shall for that period of employment choose one
20 of the following irrevocable options:

21 (1) Option 1.

22 (a) Any retiree may be employed in any position covered by this system
23 during any fiscal year, provided that his earnings in such employment do not
24 exceed twenty-five percent of his final average compensation during any fiscal
25 year. If actual earnings exceed this amount in any fiscal year, the benefits
26 payable to the retiree shall be reduced by the amount in excess of twenty-five
27 percent of his final average compensation.

28 (b) During the period of his return to active service, the retired teacher
29 and his employer shall make contributions to the retirement system as provided
30 by this Chapter, but the retiree shall receive no additional service credit and
31 shall not accrue any additional retirement benefits in the retirement system.
32 Upon termination of active service, the retired teacher shall, upon application,
33 be refunded the employee contributions paid since reemployment. The refund
34 shall be without interest. The retirement system shall retain the employer
35 contributions.

36 (c) If any retiree exercising Option 1 should reach twenty-five percent
37 of his final average compensation, the retiree may prospectively exercise Option
38 2 and all employee contributions made prior to exercise of Option 2 shall be
39 refunded at that time.

40 (2) Option 2. Any retiree may request immediate suspension of his
41 benefit inclusive of all Deferred Retirement Option Plan distributions and
42 become a member of this system, effective on the first day of reemployment or
43 on the first day a retiree notifies the system of his election to suspend his
44 benefits after using Option 1. Upon such regaining of membership, he shall
45 contribute thereafter at the current contribution rate as applicable to his
46 position. Upon subsequent retirement, his suspended retirement allowance shall

be restored to full force and effect. If he has worked and contributed for at least thirty-six months, his retirement allowance shall be eligible for a supplement attributable to the amount of his service and average compensation since reemployment based on the computation formula in effect at the time of subsequent retirement. If he has worked and contributed for less than thirty-six months, the supplement shall be calculated based on his final average compensation used to calculate his original retirement allowance. In no event shall the member receive duplicate credit for unused sick and annual leave that had been included in the computation of his original retirement allowance. Any supplemental benefit shall be based on reemployment service credit only and shall not include any other specific amount which may otherwise be provided in the regular retirement benefit computation formula. In the event of the member's death prior to subsequent retirement, payment of benefits to the designated beneficiary or survivor shall be in accordance with the option selected by the member at the time of his original retirement. No change in the option originally selected by the member shall be permitted except as provided in R.S. 11:762. In no event shall the supplemental benefit exceed an amount which, when combined with the original benefit, equals the greater of one hundred percent of the average compensation figure used to compute the supplemental benefit or the average compensation figure used to compute the original benefit. Under no circumstances shall any person who has regained membership pursuant to the provisions of this Paragraph be allowed to purchase service credit for any period employed in public service during which he continued to draw his retirement allowance.

(3) Should any employer covered by the system employ a retiree and fail to submit the report required by R.S. 11:710(D), the retiree shall be considered as returning to active service under the provisions of Option 1 above.

B. Any retiree who continues to be covered by R.S. 11:710 may elect to be covered by the provisions of this Section. Any retiree who makes an election to be covered by this Section shall no longer be covered by the provisions of R.S. 11:710.

C.(1) Any retired teacher who returns to active service covered by the provisions of this Chapter within the twelve-month period immediately following the effective date of such retirement shall have his retirement benefits suspended for the duration of such active service or the lapse of twelve months from the effective date of his retirement, whichever occurs first, even if such service is based on employment by contract or corporate contract.

(2) No person who retires based on a disability shall be authorized to return to service pursuant to the provisions of this Section. Disability retirees shall be covered by the provisions of this Chapter applicable to disability retirees.

(3) Any retired member who returns to active service with an employer covered by the provisions of this Chapter shall have his benefit suspended for the duration of his period of reemployment if such reemployment is based on a contract or corporate contract. The retiree and his employer shall not make contributions to the system during such time, and he shall receive no additional service credit and shall not accrue any additional retirement benefits.

D. When any retiree returns to active service with an employer covered by the provisions of this Chapter, the employing agency shall comply with all applicable provisions of R.S. 11:710(D)."

AMENDMENT NO. 5

On page 2, line 1, change "Section 3." to "Section 2."

AMENDMENT NO. 6

On page 2, after line 2, insert the following:

"Section 3. This Act shall become effective on June 30, 2020; if vetoed by the governor and subsequently approved by the legislature, this Act shall become

1 effective on June 30, 2020, or on the day following such approval by the legislature,
2 whichever is later."