

2020 Second Extraordinary Session

SENATE BILL NO. 26

BY SENATOR PETERSON

LOCAL EMPLOYEES. Removes employees of the Regional Transit Authority from the state system and state civil service. (gov sig) (Item #62)

1 AN ACT

2 To amend and reenact R.S. 48:1655(N), relative to the employees of the Regional Transit
3 Authority; to provide for membership in the Louisiana State Employees' Retirement
4 System; to provide for calculation of and payments for certain unfunded accrued
5 liability attributable to the authority; to provide for an effective date; and to provide
6 for related matters.

7 Be it enacted by the Legislature of Louisiana:

8 Section 1. R.S. 48:1655(N) is hereby amended and reenacted to read as follows:

9 §1655. Board of commissioners; membership; terms

10 * * *

11 N.(1) Notwithstanding any other provision of law to the contrary, the
12 authority shall not be considered an instrumentality of the state for purposes of
13 Article X, Section 1(A) of the Constitution of Louisiana. No employee ~~in the~~
14 ~~management class~~ of the authority **covered by a collective bargaining agreement**
15 **or who is a member of any other retirement plan** shall be included in the state
16 civil service system or the Louisiana State Employees' Retirement System.

17 (2)(a) ~~Expect as provided in Paragraph (1) of this Subsection, all permanent~~

1 ~~employees of the authority, other than the commissioners, the secretary, the~~
 2 ~~treasurer, the general counsel, the general manager and his assistant shall be~~
 3 ~~classified employees in the state civil service system and as such shall be eligible to~~
 4 ~~participate in the Louisiana State Employees' Retirement System; however, no part-~~
 5 ~~time employee shall participate in group insurance or retirement benefits. The~~
 6 ~~authority shall pay the employer's share of all contributions to such system.~~
 7 ~~Consultants or other persons or groups furnishing services under contract, including~~
 8 ~~but not limited to managerial, engineering, planning, or legal services, shall not be~~
 9 ~~a part of the state civil service system regardless of the length of their contracts or~~
 10 ~~the nature of the services rendered.~~

11 ~~(b)~~ Notwithstanding any other provision of law to the contrary, the authority
 12 shall remit to the Louisiana State Employees' Retirement System that portion of the
 13 unfunded accrued liability existing on June 30, 2019, attributable to the authority.
 14 The amount due shall be determined by the actuary employed by the retirement
 15 system and shall be amortized over ten years. The amount shall be paid in equal
 16 monthly payments, in the same manner as regular payroll payments to the retirement
 17 system.

18 **(b) Notwithstanding any other provision of law to the contrary, the**
 19 **authority shall remit to the Louisiana State Employees' Retirement System that**
 20 **portion of the unfunded accrued liability existing on June 30, 2021, attributable**
 21 **to the authority. The amount due shall be determined by the actuary employed**
 22 **by the retirement system and shall be amortized over ten years. The amount**
 23 **shall be paid in equal monthly payments, in the same manner as regular payroll**
 24 **payments to the retirement system.**

25 * * *

26 Section 2. This Act shall become effective upon signature by the governor or, if not
 27 signed by the governor, upon expiration of the time for bills to become law without signature
 28 by the governor, as provided by Article III, Section 18 of the Constitution of Louisiana. If
 29 vetoed by the governor and subsequently approved by the legislature, this Act shall become

1 effective on the day following such approval.

The original instrument was prepared by James Benton. The following digest, which does not constitute a part of the legislative instrument, was prepared by Angela Lockett De Jean.

DIGEST

SB 26 Engrossed

2020 Second Extraordinary Session

Peterson

Present law provides for the Regional Transit Authority (RTA).

Present law further provides that all permanent employees of the RTA who are not in the management class will be classified employees in the state civil service system and as such will be eligible to participate in the Louisiana State Employees' Retirement System (LASERS).

Proposed law provides that no employee of RTA covered by a collective bargaining agreement or who is in another retirement plan will be considered a classified employee in the state civil service system and as such will not be eligible to participate in LASERS.

Proposed law requires the RTA to remit to LASERS that portion of the system's unfunded accrued liability existing on June 30, 2021, attributable to the RTA. Proposed law further provides that the amount due will be determined by the LASERS actuary and will be amortized over 10 years.

Present law provides for the general powers of the RTA, including the power to hire employees and to contract for services.

Proposed law retains present law.

Effective upon signature of the governor or lapse of time for gubernatorial action.

(Amends R.S. 48:1655(N))

Summary of Amendments Adopted by Senate

Committee Amendments Proposed by Senate Committee on Retirement to the original bill

1. Provides that no employee of RTA covered by a collective bargaining agreement or who is a member of any other retirement plan shall be included in the state civil service system or in LASERS.