SENATE BILL NO. 9

BY SENATOR ROBERT MILLS

1	AN ACT
2	To amend and reenact R.S. 11:1755(E)(1)(a) and (5), 1821(E), 1823(22), 1826(B), 1842,
3	1843, and 2003, to enact R.S. 11:1756(D), and to repeal R.S. 11:1823(23), relative
4	to statewide retirement systems; to provide with respect to administration of and
5	benefits provided by the systems; to provide relative to creditable service, conversion
6	of leave, and benefit payments; to provide relative to the powers, duties, and
7	responsibilities of members of system boards of trustees; to provide for expenditure
8	of system funds; to provide for actuarial investigations; to provide relative to cash
9	deposit available for payment of benefits; to provide for an effective date; and to
10	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. 11:1756(D) is hereby enacted to read as follows:
14	§1756. Application for benefits; commencement of benefits; payment of benefits
15	* * *
16	D. If a written application for any benefit is received by the board sixty
17	or fewer days after the date the applicant became eligible for the benefit,
18	benefits shall be paid retroactive to the date of eligibility. If an application for
19	any benefit is received by the board more than sixty days after the date the
20	applicant attained eligibility, retroactive benefits shall be paid only for the sixty
21	days prior to the date the application is received by the board.
22	* * *
23	Section 2. R.S. 11:1755(E)(1)(a) and (5), 1821(E), 1823(22), 1826(B), 1842, 1843,
24	and 2003 are hereby amended and reenacted to read as follows:
25	§1755. Creditable service; service certificate; adjusted service date; repayment of
26	withdrawn contributions
27	* * *

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1	E.(1)(a) The provisions of this Subsection are limited in scope and shall only
2	apply only to members of this system whose employing municipality participating
3	<u>employer</u> irrevocably elects such coverage. The board of trustees shall cause to be
4	promulgated all regulations necessary to govern the procedures for municipalities
5	participating employers to irrevocably elect coverage under the provisions of this
6	Subsection.
7	* * *
8	(5) The actuarial cost of providing the conversion authorized by this
9	Subsection shall be borne solely by and shall be paid to the board by the municipality
10	that employed the member member's employer within thirty days of the date that
11	the member retires.
12	* * *
13	§1821. Board of trustees; membership; term of office; oath of office; compensation;
14	voting power; vacancies
15	* * *
16	E. The trustee shall serve without compensation but shall be reimbursed as
17	provided by R.S. 11:181(D). Notwithstanding the exceptions provided in R.S.
18	42:1102(22) and 1123(41), no trustee shall accept any thing of economic value from
19	any person identified in R.S. 42:1115(A)(1) unless the thing of value is food, drink,
20	or refreshments consumed by the trustee while the personal guest of some person
21	during an educational or professional development seminar or conference.
22	* * *
23	§1823. Board responsibilities; powers and duties
24	Each board member shall discharge his fiduciary duties solely in the interest
25	of the system's members and beneficiaries and for the exclusive purpose of providing
26	benefits to the members and their beneficiaries, and defraying reasonable expenses
27	of administering the system, with the care, skill, prudence, and diligence under the
28	circumstances then prevailing that a prudent man acting in a like capacity and

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familiar with such matters would use in the conduct of an enterprise of a like

character and with like aims. The board shall have the following powers and duties

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1	in administering the system:
2	* * *
3	(22) To include in the financial statement submitted to the legislature
4	pursuant to R.S. 11:171(A) an itemized schedule of all amounts paid by the system
5	to or on behalf of the system's board members.
6	(23) To deduct monthly life and health insurance premiums from the benefits
7	payable to any retiree or other beneficiary and to transmit them to the agency to
8	which the premiums are due. The board shall have full authority to formulate and
9	promulgate any and all necessary rules and regulations to facilitate these deductions,
10	including but not limited to requirements for written documentation for deductions.
11	* * *
12	§1826. Actuary
13	* * *
14	B. Immediately after the revision date In Fiscal Year 2023-2024, and at least
15	once every three five years thereafter, the actuary shall make an actuarial
16	investigation of the members as to mortality, disability, retirement, separation,
17	marital status of employees, marriage of surviving spouses, interest, and employee
18	earning rates.
19	* * *
20	§1842. Board of trustees as custodian of funds
21	A. The board of trustees shall be the custodian of the several funds. All
22	expense vouchers and pension payrolls shall be certified by the administrative
23	director. The administrative director shall furnish the board of trustees a surety bond
24	in a company authorized to do business in Louisiana and in such an amount as shall
25	be required by the board, the premium to be paid from the expenses of the fund.
26	B. The board shall not authorize the use of system funds to pay for a board
27	member's attendance at more than one educational or professional development
28	seminar or conference per fiscal year held outside of the state of Louisiana. The
29	board shall not authorize the use of system funds to pay for a board member's
30	attendance at any educational or professional development seminar or conference

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1 that is not affiliated with an association related to state retirement systems. 2 §1843. Cash deposit for payment of benefits 3 For the purpose of meeting disbursements for pensions, annuities, and other payments there may be kept available cash, not exceeding one ten percent of the 4 5 total amount in the several funds of the retirement system, on deposit in one or more banks or trust companies of the state of Louisiana organized under the laws of the 6 7 state of Louisiana or of the United States, provided, that the sum on deposit in any one bank or trust company shall not exceed ten percent of the paid up capital and 8 9 surplus of such bank or trust company. 10 §2003. Cash deposit for payment of benefits 11 12 For the purpose of meeting disbursements for pensions, annuities, and other 13 payments there may be kept available cash, not exceeding one per centum ten 14 **percent** of the total amount in the several funds of the retirement system, on deposit 15 in one or more banks or trust companies of the state of Louisiana organized under 16 the laws of the state of Louisiana or of the United States, provided, that the sum on 17 deposit in any one bank or trust company shall not exceed ten percent of the paid up 18 capital and surplus of such bank or trust company. 19 Section 3. R.S. 11:1823(23) is hereby repealed. 20 Section 4. This Act shall become effective on June 30, 2022; if vetoed by the governor and subsequently approved by the legislature, this Act shall become effective on 21 22 June 30, 2022, or on the day following such approval by the legislature, whichever is later. PRESIDENT OF THE SENATE SPEAKER OF THE HOUSE OF REPRESENTATIVES GOVERNOR OF THE STATE OF LOUISIANA

APPROVED: