

2024 Regular Session

HOUSE BILL NO. 31

BY REPRESENTATIVES FREIBERG, BACALA, BAYHAM, BOYD, BRASS, CHASSION, COX, FISHER, HUGHES, JACKSON, LARVADAIN, MCMAKIN, MILLER, MYERS, NEWELL, SELDERS, STAGNI, WALTERS, WILLARD, WYBLE, AND YOUNG

1 AN ACT

2 To amend and reenact R.S. 11:927(A) and to enact R.S. 11:927(B)(4) and (F), 929(B)(2)(d),  
3 and 932, relative to the optional retirement plan of the Teachers' Retirement System  
4 of Louisiana; to provide for election to join the defined benefit plan; to provide for  
5 membership; to provide relative to administrative fees charged by the system; to  
6 provide relative to certain single-sum cash payments from the optional retirement  
7 plan; and to provide for related matters.

8 Notice of intention to introduce this Act has been published  
9 as provided by Article X, Section 29(C) of the Constitution  
10 of Louisiana.

11 Be it enacted by the Legislature of Louisiana:

12 Section 1. R.S. 11:927(A) is hereby amended and reenacted and R.S. 11:927(B)(4)  
13 and (F), 929(B)(2)(d), and 932 are hereby enacted to read as follows:

14 §927. Contributions

15 A. Each participant shall contribute monthly to the optional retirement plan  
16 the same amount which he would be required to contribute to the regular retirement  
17 plan of the Teachers' Retirement System of Louisiana if he were a member of that  
18 retirement plan. Participant contributions may be made by employer pick-up in  
19 accordance with the provisions of Section 414(h)(2) of the United States Internal  
20 Revenue Code or any amendment thereto. The entirety of each participant's  
21 contribution, less the participant's share of any monthly fee established by the board  
22 to cover the cost of administration and maintenance of the optional retirement plan,  
23 shall be remitted to the appropriate designated company or companies for application  
24 to the participant's contract or contracts.

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(4) Beginning July 1, 2026, in addition to any contributions otherwise required to be submitted to the Teachers' Retirement System of Louisiana pursuant to this Subsection, each employer shall contribute to the Teachers' Retirement System of Louisiana on behalf of each participant in the optional retirement plan the employer's share of any monthly fee established by the board to cover the cost of administration and maintenance of the optional retirement plan. The Teachers' Retirement System of Louisiana shall retain the contribution to cover the cost of administration and maintenance of the optional retirement plan.

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F.(1) Any monthly fee established by the board to cover the cost of administration and maintenance of the optional retirement plan shall be expressed as a percentage of the participant's earnable compensation. The participant's share of the monthly fee shall be the lesser of:

(a) One-half of the total monthly fee.

(b) Five-hundredths of one percent of the participant's earnable compensation.

(2) The employer's share of the monthly fee shall be the balance remaining after payment of the participant's share.

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§929. Benefits not obligation of the state; payment of benefits; eligibility in other plans

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B.

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(2) The Board of Trustees of the Teachers' Retirement System may approve the following single-sum cash payments:

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1 employing agency shall pay the system the contributions required pursuant to R.S.  
2 11:102.

3 B.(1) Notwithstanding any provision of law to the contrary, any active  
4 contributing participant in the optional retirement plan whose first employment  
5 making him eligible for participation in the optional retirement plan occurred on or  
6 after August 1, 2020, and who, notwithstanding participation in the optional  
7 retirement plan, is otherwise eligible for membership in the regular retirement plan  
8 of the Teachers' Retirement System of Louisiana may make an irrevocable election  
9 to become a member of the regular retirement plan of the Teachers' Retirement  
10 System of Louisiana. The election shall be made in writing in a manner prescribed  
11 by the system and shall be received by the retirement system within five years of the  
12 participant's first employment making him eligible for participation in the optional  
13 retirement plan.

14 (2) For a participant making the election, all contributions to the optional  
15 retirement plan from the participant and from his employer shall cease on the last  
16 day of the month following the month in which the system receives the election.  
17 Beginning on the first day of the following month, the participant shall begin  
18 contributing to and accruing benefits in the regular retirement plan of the Teachers'  
19 Retirement System of Louisiana as a member first eligible for membership in a state  
20 system on that date. The person's employing agency shall pay the system the  
21 contributions required to R.S. 11:102.

22 C. Any and all distributions from the optional retirement plan to a participant  
23 who made the election provided for in this Section shall be in accordance with R.S.  
24 11:929.

25 D. If any participant making an election to become a member of the regular  
26 retirement plan of the Teachers' Retirement System of Louisiana has, at the time of  
27 such election, prior service in the regular retirement plan, the prior service shall be  
28 used for calculation of benefits only and shall not be used to attain eligibility for any  
29 purpose, including but not limited to retirement, disability, or survivor benefits.

1           Section 2. The cost of this Act, if any, shall be funded with additional employer  
2 contributions in compliance with Article X, Section 29(F) of the Constitution of Louisiana.

3           Section 3. This Act shall become effective on June 30, 2024; if vetoed by the  
4 governor and subsequently approved by the legislature, this Act shall become effective on  
5 June 30, 2024, or on the day following such approval by the legislature, whichever is later.

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SPEAKER OF THE HOUSE OF REPRESENTATIVES

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PRESIDENT OF THE SENATE

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GOVERNOR OF THE STATE OF LOUISIANA

APPROVED: \_\_\_\_\_