
DIGEST

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Barrow

HB No. 35

Abstract: Provides for retirement eligibility at 25 years of service, regardless of age and without actuarial reduction, for certain members of the La. State Employees' Retirement System (LASERS) and the Teachers' Retirement System of La. (TRSL) upon certain conditions being met.

Present law creates the LASERS and TRSL systems. Provides for the calculation of benefits based on eligibility criteria provided in present law. Proposed law generally retains present law for most members. Proposed law establishes a new retirement eligibility for certain members who work in state hospitals.

Present law (R.S. 11:143) provides a mechanism for a member to transfer earned service credit from a former public retirement system into his current public retirement system. Present law allows a member to consolidate all his service credit into one system. Proposed law retains present law.

Generally, present law for LASERS provides the following retirement eligibilities for members:

- (1) Members hired on or before June 30, 2006:
 - (a) 30 years or more of service, at any age.
 - (b) 25 years or more of service, at age 55.
 - (c) 10 years of more of service, at age 60 or older.
 - (d) 20 years of service, at any age, but actuarially reduced from age 55.
- (2) Members hired on or after July 1, 2006, who are not in the Hazardous Duty Services Plan:
 - (a) Five years or more of service, at age 60.
 - (b) 20 years of service, at any age, but actuarially reduced from age 60.
- (3) Members hired on or after Jan. 1, 2011, who are in the Hazardous Duty Service Plan and members who transferred into such plan:

- (a) 25 years or more of service, at any age.
- (b) 12 years or more of service, at age 55.
- (c) 20 years of service, at any age, but actuarially reduced from age 55.

Proposed law retains present law for members of the Hazardous Duty Services Plan.

Proposed law adds a provision for members of LASERS who are employed by a state hospital, who have 25 years or more of service or more, and whose jobs are affected by a layoff plan or a layoff avoidance plan filed with the State Civil Service Commission. Upon approval of such a plan, these members are eligible for retirement, regardless of age, and would not have their benefit actuarially reduced.

Generally, present law for TRSL provides the following retirement eligibilities for members:

(1) Members hired prior to July 1, 1999:

- (a) Five years of service or more, at age 60.
- (b) 20 years of service, regardless of age.

(2) Members hired on or after July 1, 1999, but before Jan. 1, 2011:

- (a) Five years of service or more, at age 60.
- (b) 25 years of service or more, at age 55.
- (c) 30 years of service, at any age.

(3) Members first hired on or after Jan. 1, 2011:

- (a) Five years of service or more, at age 60.
- (b) 20 years of service, at any age, actuarially reduced from age 60.

Proposed law retains present law for most members.

Proposed law adds a provision for members of TRSL who are employed by a state hospital, who have 25 years or more of service, and whose jobs are affected by a layoff plan or layoff avoidance plan filed with the State Civil Service Commission. Upon approval of such a plan, these members are eligible for retirement, regardless of age, and would not have their benefit actuarially reduced.

Proposed law further requires the director of the state civil service to notify the directors of the

LASERS and TRSL systems when he receives a layoff plan or a layoff avoidance plan affecting a state hospital. Additionally requires the director of the state civil service to notify the directors of LASERS and TRSL of the approval of such a layoff plan or layoff avoidance plan, within one calendar day of approval.

Proposed law provides that the provisions of proposed law shall become null and of no effect three years after the date they become effective.

Effective June 7, 2013.

(Adds R.S. 11:441(H) and 761(C))