

Regular Session, 2013

SENATE CONCURRENT RESOLUTION NO. 1

BY SENATOR CORTEZ

Prefiled pursuant to Article III, Section 2(A)(4)(b)(i) of the Constitution of Louisiana.

RETIREMENT SYSTEMS. Suspends Chapter 7 of Subtitle II of Title 11 of the Louisiana Revised Statutes of 1950, comprised of R.S. 1399.1 through 1399.7.

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A CONCURRENT RESOLUTION

To suspend until July 1, 2014, the provisions of Chapter 7 of Subtitle II of Title 11 of the Louisiana Revised Statutes of 1950, comprised of R.S. 11:1399.1 through 1399.7.

Notice of intention to introduce this Resolution has been published.

WHEREAS, Act No. 483 of the 2012 Regular Session of the Louisiana Legislature is presently being challenged in the courts by the Retired State Employees Association for failure of the Legislature to approve the Act by a favorable vote of two-thirds of the elected members of each house; and

WHEREAS, Judge William A. Morvant of the Nineteenth Judicial District Court of the State of Louisiana ruled on January 24, 2013, that Act No. 483 of the 2012 Regular Session of the Louisiana Legislature was enacted unconstitutionally for lack of two-thirds majority vote; and

WHEREAS, notice of appeal to the Supreme Court of Louisiana on behalf of the State of Louisiana has been given; and

WHEREAS, the division of administration on behalf of the State of Louisiana, as the employer for state employees, has requested a private letter ruling from the Internal Revenue Service (IRS) determining the Social Security equivalency of the plan created by Act No. 483 of the 2012 Regular Session of the Louisiana Legislature; and

1 WHEREAS, it is extremely unlikely that a private letter ruling will be issued prior
2 to July 1, 2013; and

3 WHEREAS, due to the uncertainty of the law's effectiveness, the legislature finds
4 it is appropriate to avoid unnecessary and considerable costs and potential harm to future
5 state employees that may result from proceeding with implementation of a plan that has been
6 deemed unconstitutional by the Nineteenth Judicial District Court of the State of Louisiana.

7 THEREFORE, BE IT RESOLVED that the Legislature of Louisiana hereby suspends
8 the provisions of Chapter 7 of Subtitle II of Title 11 of the Louisiana Revised Statutes of
9 1950, comprised of R.S. 11:1399.1 through 1399.7.

10 BE IT FURTHER RESOLVED that it is the intent of the legislature that any
11 provisions contained in Act No. 483 of the 2012 Regular Session of the Louisiana
12 Legislature that are not being suspended by the provisions of this Resolution shall continue
13 in force and effect and shall be interpreted as though they had not been amended by such Act
14 until June 30, 2014.

15 BE IT FURTHER RESOLVED that the suspension shall become effective
16 immediately upon adoption of this resolution, and shall extend through June 30, 2014.

The original instrument was prepared by Margaret M. Corley. The following digest, which does not constitute a part of the legislative instrument, was prepared by J. Ashley Mitchell.

DIGEST

Cortez

SCR No. 1

Suspends the implementation date of the cash balance plan. This law became effective on June 30, 2012, and provides for the establishment of a second tier of membership in Louisiana State Employees' Retirement System, Teachers' Retirement System of Louisiana, and Louisiana School Employees' Retirement System. Persons who begin state employment in non-hazardous duty positions on or after July 1, 2013, will be in the cash balance plan.

Effective immediately upon adoption, through June 30, 2014.

(Suspends Chapter 7 of Subtitle II of Title 11 of the Louisiana Revised Statutes of 1950, comprised of R.S. 11:1399.1 through 1399.7)

Summary of Amendments Adopted by Senate

Senate Floor Amendments to engrossed resolution

1. Makes Legislative Bureau technical changes.