

Existing law creates the La. Assessor's Retirement Fund (LARF) and provides relative to the benefits and requirements of being a member thereof. Under existing law, normal retirement benefits are calculated pursuant to the following equation:

$$\text{benefit} = (\text{accrual rate}) \times (\text{years of service}) \times (\text{monthly final average compensation})$$

Existing law establishes two "tiers" for members of LARF.

- (1) For members hired on or before Sept. 30, 2006, the following apply:
 - (a) The "monthly final average compensation" is the average of the member's salary during their 36 highest compensated months of employment.
 - (b) Eligibility for retirement is:
 - (i) 12 years or more of service, at age 55.
 - (ii) 30 years or more of service, at any age.
 - (c) The accrual rate for these members is 3.33%.
- (2) For members hired on or after Oct. 1, 2006, the following apply:
 - (a) The "monthly final average compensation" is the average of the member's salary during their 60 highest compensated months of employment.
 - (b) Eligibility for retirement and the accrual rate are the same as for members hired on or before Sept. 30, 2006.

New law adds a new tier for members hired on or after Oct. 1, 2013. For these members, the following apply:

- (1) The "monthly final average compensation" is the same as for members hired on or after Oct. 1, 2006.
- (2) Eligibility for retirement is:
 - (a) 12 years of service or more, at age 60.
 - (b) 30 years of service or more, at age 55.
- (3) The accrual rate for these members is:
 - (a) 3% if the member retires with less than 30 years of service.
 - (b) 3.33% if the member retires with 30 or more years of service. Service credit transferred into the system at an accrual rate lower than 3.33% may not be used to gain the 3.33% accrual rate unless the member pays to upgrade the service credit at the time of the transfer, pursuant to existing law.

Effective July 1, 2013.

(Amends R.S. 11:1421 and 1422(B); Adds R.S. 11:1422(C))