

SENATE BILL NO. 2

BY SENATOR MILLS

1 AN ACT

2 To amend and reenact R.S. 11:446(F), 450(B), and 471.1(G) and to enact R.S. 11:1903(F),
3 relative to retirement benefits of public employees hired after a certain date; to
4 provide for participation, options, contributions, and eligibility; to provide for
5 technical corrections; to provide for an effective date; and to provide for related
6 matters.

7 Notice of intention to introduce this Act has been published.

8 Be it enacted by the Legislature of Louisiana:

9 Section 1. R.S. 11:446(F), 450(B), and 471.1(G) are hereby amended and reenacted
10 and R.S. 11:1903(F) is hereby enacted to read as follows:

11 §446. Mode of payment where option elected

12 * * *

13 F. If the member is married, the designated beneficiary for a qualified joint
14 and survivor annuity and any Deferred Retirement Option Plan benefits payable in
15 accordance with law shall be his spouse, unless such spouse has consented to the
16 contrary in writing before a notary public, or such spouse cannot be located and the
17 member submits an original affidavit signed by him before a notary public which
18 evidences good faith efforts to locate the spouse. If the member does not select a
19 joint and survivor annuity option and fails to provide such a spousal consent at the
20 time of his retirement ~~and his spouse survives him~~, then for the purposes of a
21 retirement benefit option the system shall establish the benefit as if the member had
22 selected the Option 3 joint and survivor annuity as provided in Paragraph ~~(3)~~ of

1 §1903. Admission of taxing districts; district indigent defender programs; soil and
2 water conservation districts

3 * * *

4 F. Notwithstanding any provision of this Chapter to the contrary, a
5 hospital service district located in a parish with a total population between
6 seventy thousand and eighty thousand persons as of the latest federal decennial
7 census may terminate coverage for employees of the district first hired on or
8 after January 1, 2015, as further provided in this Subsection.

9 (1) If any plan entered into by a hospital district under this Section is
10 prospectively terminated, the hospital district which prospectively terminates
11 its plan may not again begin participation for new employees in the system
12 pursuant to this Section, unless approved by the board of trustees.

13 (2) Prospective termination of a plan shall follow all notice and any other
14 requirements of termination provided for in the plan agreement.

15 (3) If, pursuant to this Subsection, an employer terminates its agreement
16 for coverage of its employees first hired after the effective date of the
17 termination, the employer shall remit to the system that portion of the unfunded
18 actuarial accrued liability, if any, which is attributable to the employer's
19 termination. The amount required to be remitted pursuant to this Paragraph
20 shall be determined as of the December thirty-first immediately prior to the
21 date of termination. Such determination shall be made using the entry age
22 normal actuarial funding method.

23 (4) The amount due shall be determined by the actuary employed by the
24 system and shall either be paid in a lump sum or amortized over ten years in
25 equal monthly payments with interest at the system's actuarial valuation rate
26 in the same manner as regular payroll payments to the system, at the option of
27 the employer.

28 (5) Should the employer fail to make payment timely, the amount due
29 shall be collected in the same manner as authorized by Subsection D of this
30 Section and R.S. 11:2014.

1 Section 2. This Act shall become effective on January 1, 2015; if vetoed by the
2 governor and subsequently approved by the legislature, this Act shall become effective on
3 January 1, 2015, 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: _____