

2016 Regular Session

HOUSE BILL NO. 907

BY REPRESENTATIVE LEBAS

RETIREMENT/TEACHERS: Increases the earnings allowed in the Teachers' Retirement System of La. for retirees who are reemployed as substitute classroom teachers to fill certain vacancies

1 AN ACT

2 To amend and reenact R.S. 11:710(B)(1)(b) and (D) and to enact R.S. 11:710(A)(9), relative
3 to the reemployment of retirees of the Teachers' Retirement System of Louisiana; to
4 provide relative to the earnings limitation applicable to retirees who return to work
5 as substitute classroom teachers under certain circumstances; to provide a definition;
6 to provide for reporting requirements; and to provide for related matters.

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

10 Be it enacted by the Legislature of Louisiana:

11 Section 1. R.S. 11:710(B)(1)(b) and (D) are hereby amended and reenacted and R.S.
12 11:710(A)(9) is hereby enacted to read as follows:

13 §710. Employment of retirees

14 A.

15 * * *

16 (9) "Extended leave vacancy" means a vacancy created by extended leave
17 granted pursuant to R.S. 17:46, 47(C) , 47(D), 48, 49, 1170, et seq., 1201(C),
18 1201(D), 1202, 1211, or 1215.

19 B.(1)

20 * * *

1 (b)(i) The earnings of any retiree returning to active service in a
2 reemployment-eligible position shall not exceed twenty-five percent of his benefit
3 during any fiscal year.

4 (ii) Notwithstanding the provisions of Item (i) of this Subparagraph, the
5 earnings of a retired teacher in a reemployment-eligible position as defined by
6 Subparagraph (A)(5)(a) of this Section shall not exceed fifty percent of his benefit
7 in any fiscal year in which the retired teacher fills an extended leave vacancy.

8 (iii) If actual earnings exceed ~~this amount~~ the applicable earnings limit
9 provided by this Subparagraph in any fiscal year, the benefits payable to the retiree
10 shall be reduced by the amount in excess of ~~twenty-five percent of his benefit~~ such
11 earnings limit.

12 * * *

13 D. When any retiree returns to active service with an employer covered by
14 the provisions of this Chapter, the employing agency shall, within thirty days
15 thereafter, notify the board of trustees in writing of such employment, the date on
16 which employment commenced, and a determination by the employer as to whether
17 such person is a "retired teacher" pursuant to Paragraph (A)(7) of this Section and
18 if the retired teacher is filling an extended leave vacancy. Upon termination, the
19 agency shall provide the same notice. In addition, the employing agency shall also
20 report to the retirement system within forty-five days after June thirtieth of each
21 year, the names of all persons being paid by the employing agency and all persons
22 having received a benefit pursuant to the provisions of this Section, along with such
23 individuals' social security numbers, their positions, their designations as part-time
24 or full-time, whether the individual is filling an extended leave vacancy, and the
25 amount of their earnings during the previous fiscal year ending on June thirtieth of
26 the reporting year. Additionally, the employing agency shall transmit a monthly
27 contributions report pursuant to R.S. 11:888(A). Such monthly reports shall be
28 transmitted within thirty days of the last day of each month and shall include the
29 salary paid to each individual identified as a "retired teacher" pursuant to Paragraph

1 (A)(7) of this Section. Should failure to give notice of return to active service or
2 failure to report any other information required by this Section result in any payment
3 being made in violation of this Section, the employing agency shall be liable to the
4 system for the repayment of such amounts.

5 * * *

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

8 Section 3. The Louisiana State Law Institute shall place the provisions of R.S.
9 11:710(A)(9) as enacted in this Act in alphabetical order with other definitions in R.S.
10 11:710.

11 Section 4. This Act shall become effective on July 1, 2016; if vetoed by the governor
12 and subsequently approved by the legislature, this Act shall become effective on July 1,
13 2016, or on the day following such approval by the legislature, whichever is later.

DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

HB 907 Engrossed

2016 Regular Session

LeBas

Abstract: Provides for a salary cap increase for a retiree of the Teachers' Retirement System of La. (TRSL) who returns to work as a substitute classroom teacher in an extended leave vacancy.

Present law prohibits a retired member of TRSL from receiving his benefit check while he is reemployed in a position covered by TRSL. Present law provides exceptions to this prohibition. Proposed law retains present law.

Present law further provides that for the first 12 months after a retiree's date of retirement, his benefits are suspended entirely if the retiree returns to work (hereafter referred to as the "waiting period"). Proposed law retains present law.

Present law provides that after his waiting period terminates, a retired member may return to work as a substitute classroom teacher and draw his full benefit check while working, but may only earn up to 25% of his annual benefit. Provides that any amount earned in excess of the earnings limit is deducted from the retiree's benefit check.

Proposed law increases the earnings limit to 50% of annual benefit for a person who returns to work as a substitute classroom teacher to fill an extended leave vacancy, which is a vacancy created by extended sick leave, maternity leave, military leave, or sabbatical taken by a K-12 teacher in a regular or special school. Proposed law otherwise retains present law.

Proposed law requires that in addition to the employers' reporting requirements imposed by present law, employers must also report if a retired teacher is filling an extended leave vacancy.

Proposed law requires that any cost of proposed law be funded with additional employer contributions in compliance with Art. X, §29(F) of the state constitution.

Effective July 1, 2016.

(Amends R.S. 11:710(B)(1)(b) and (D); Adds R.S. 11:710(A)(9))

Summary of Amendments Adopted by House

The Committee Amendments Proposed by House Committee on Retirement to the original bill:

1. Define extended leave vacancy.
2. Increase the earnings cap to 50% of a retired teacher's retirement benefit for retired teachers filling extended leave vacancies.
3. Require employers to report if a rehired teacher is filling an extended leave vacancy.