
HOUSE COMMITTEE AMENDMENTS

2018 Regular Session

Substitute for Original House Bill No. 43 by Representative Pearson as proposed by the House Committee on Retirement

This document reflects the content of a substitute bill but is not in a bill form; page numbers in this document DO NOT correspond to page numbers in the substitute bill itself.

To amend and reenact R.S. 11:82(A)(7), 102(C)(3)(m) and (6)(b)(i) and (c), 182(A)(1), 251, 2031(1), (2), (7), (8), (10), (11), (14), (15), (17), (18), and (21), 2032, 2034 through 2035, 2051, through 2054, 2072(A) and (B), 2074(A), 2075, 2077(C), 2078, 2131 through 2134, 2135(B) and (C), 2139(A), 2141, 2144(C) through (I), 2161, 2165.1, 2165.2(A)(2), 2165.3, and 2165.5(A), to enact R.S. 11:62(5)(h), 102(C)(3)(n) and (6)(b)(iii), 411(10), Subpart F of Part VII of Chapter 1 of Subtitle II of Title 11 of the Louisiana Revised Statutes of 1950, to be comprised of R.S. 11:641 and 642, and R.S. 11: 2031(16.1), and to repeal R.S. 11:22(B)(10), 62(13), 105(A)(6), 106(A)(4), 107(A)(5), 107.1(A)(5), 242(B)(6), 243(A)(6), 246(A)(6), 2061, 2062, 2073, 2091 through 2115, 2136 through 2138, 2140, 2142, 2143, and 2162 through 2164, relative to retirement for a registrar of voters or employees of an office of registrar of voters; to provide for the incorporation of the Registrars of Voters Employees' Retirement System into the Louisiana State Employees' Retirement System; to provide relative to the assets of the Registrars of Voters Employees' Retirement System; to provide relative to benefits for members of the Registrars of Voters Employees' Retirement System; to provide relative to benefits for new hires; to provide relative to the boards of trustees of the Louisiana State Employees' Retirement System and the Registrars of Voters Employees' Retirement System; to provide for the unfunded accrued liability of the Registrars of Voters Employees' Retirement System; and to provide for related matters.

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

Be it enacted by the Legislature of Louisiana:

Section 1. R.S. 11:2031(10), 2165.2(A)(2), and 2165.3 are hereby amended and reenacted and R.S. 11:411(10) is hereby enacted to read as follows:

§411. Eligibility for membership

The membership of this system shall be as follows:

* * *

(10) A registrar of voters of the state of Louisiana, a deputy registrar of voters, or a permanent employee of the office of registrar of voters in any parish of the state of Louisiana any of whom is first appointed or hired on or after July 1, 2018.

* * *

§2031. Definitions

The following words and phrases, as used in this Chapter, unless a different meaning is plainly required by the context, shall have the following meanings:

* * *

(10) "Employee" shall mean any registrar of voters of the state of Louisiana or any deputy or permanent employee of the office of registrar of voters in any parish of the state of Louisiana hired or appointed on or before June 30, 2018. "Employee" shall also mean a person employed by ~~this retirement system~~ the Registrars of Voters Employees' Retirement System or a person employed by the Louisiana Registrar of Voters Association, Inc., on or before June 30, 2018.

* * *

§2165.2. Definitions

A. As used in this Part, the following terms have the meanings ascribed below unless a different meaning is clearly required by the context:

* * *

(2) "Member" shall include persons who would be eligible for system membership pursuant to R.S. 11:2051 but whose first employment making them eligible for membership in this system occurred on or after January 1, 2013, and on or before June 30, 2018.

* * *

§2165.3. Eligibility for membership

Each person who would be eligible for Tier 1 membership but whose first employment making him eligible for membership in this system occurred on or after January 1, 2013, and on or before June 30, 2018, shall become a member of the Tier 2 of the system as a condition of employment.

Section 2. R.S. 11:82(A)(7), 102(C)(3)(m) and (6)(b)(i) and (c), 182(A)(1), 251, 2031(1), (2), (7), (8), (11), (14), (15), (17), (18), and (21), 2032, 2034 through 2054, 2072(A) and (B), 2074(A), 2075, 2077(C), 2078, 2131 through 2134, 2135(B) and (C), 2139(A), 2141, 2144(C) through (I), 2161, 2165.1, 2165.2(A)(2), 2165.3, and 2165.5(A) are hereby amended and reenacted and R.S. 11:62(5)(h), 102(C)(3)(n) and (6)(b)(iii), Subpart F of Part VII of Chapter 1 of Subtitle II of Title 11 of the Louisiana Revised Statutes of 1950, to be comprised of R.S. 11:641 and 642, and R.S. 11: 2031(16.1), are hereby enacted to read as follows:

§62. Employee contribution rates established

Employee contributions to state and statewide public retirement systems shall be paid at the following rates, except as otherwise provided by law:

* * *

(5) Louisiana State Employees' Retirement System:

* * *

(h) "Members" of the Registrars of Voters Employees' Retirement Plan, as defined in R.S. 11:2031 - %

* * *

§82. Ad valorem tax contributions established

A. Ad valorem tax contributions to state and statewide public retirement systems shall be as follows:

* * *

(7) ~~Registrars' of Voters Employees' Retirement System.~~ Louisiana State Employees' Retirement System. Dedicated funds are .0625% of aggregate taxes shown to be collectible by the tax rolls of each parish. These funds shall be applied to the actuarially required contribution computed pursuant to R.S. 11:102(C)(6)(c)(ii)

CODING: Words in ~~struck through~~ type are deletions from existing law; words underscored are additions.

until such time as the unfunded accrued liability of the Registrar of Voters Employees' Retirement System as of June 30, 2019, has been fully funded.

Thereafter, these funds shall be allocated as follows:

(a) The allocation to the plan described in R.S. 11:102(C)(3)(m) shall be in the same proportion to the total amounts collected as the number of active members participating in that plan at the end of each fiscal year to the number of active members participating in that plan at the end of the fiscal year in which the unfunded accrued liability of the Registrar of Voters Employees' Retirement System as of June 30, 2019, has been fully funded.

(b) The remaining amount shall be allocated to the plan described in R.S. 11:102(C)(3)(a).

* * *

§102. Employer contributions; determination; state systems

* * *

C.

* * *

(3) The provisions of this Paragraph and Paragraphs (4) through (9) of this Subsection shall be effective for the June 30, 2010 system valuation and beginning Fiscal Year 2011-2012. For purposes of this Subsection, "plan" or "plans" shall mean a subgroup within the system characterized by the following employee classifications:

* * *

(m) Registrars of Voters Employees' Retirement Plan members as provided pursuant to R.S. 11:641, et seq.

(n) Any other specialty retirement plan provided for a subgroup of system members. If the legislation enacting such a plan is silent as to the application of this Subsection, the Public Retirement Systems' Actuarial Committee shall provide for the application to such plan.

* * *

(6) For each plan referenced in Paragraph (3) of this Subsection, the legislature shall set the required employer contribution rate equal to the sum of the following:

* * *

(b) The shared unfunded accrued liability rate. (i) Except as provided in ~~Item~~ (ii) Items (ii) and (iii) of this Subparagraph, a single rate shall be computed for each fiscal year, applicable to all plans for actuarial changes, gains, and losses existing on June 30, 2010, or occurring thereafter, including experience and investment gains and losses, which are independent of the existence of the plans listed in Paragraph (3) of this Subsection, the payment and rate therefor shall be calculated as provided in this Subsection and Paragraphs (B)(1) and (3) of this Section.

* * *

(iii) The shared unfunded accrued liability rate applicable to the Registrar of Voters Retirement Plan shall not include any unfunded accrued liability incurred on or before July 1, 2019, until July 1, 2029.

(c) The particularized unfunded accrued liability rate. (i) For actuarial changes, gains, and losses, excluding experience and investment gains and losses, first recognized in the June 30, 2010 valuation or in any later valuation, attributable to one or more, but not all, plans listed in Paragraph (3) of this Subsection or to some new plan or plans, created, implemented, or enacted after July 1, 2010, a particularized contribution rate shall be calculated as provided in this Subsection and Paragraphs (B)(1) and (3) of this Section.

(ii) The unfunded accrued liability of the Registrar of Voters Retirement System as of June 30, 2019, shall be amortized as a level-dollar amount from July 1, 2020, through June 30, 2029. For the unfunded accrued liability set forth in this Item, a particularized unfunded accrued liability rate applicable to the Registrar of Voters Retirement Plan shall be calculated as provided in this Subsection and Paragraphs (B)(1) and (3) of this Section.

* * *

§182. Boards of trustees of state and statewide public retirement systems; per diem and expenses

A.(1) Notwithstanding any other provisions of law to the contrary, the members of the boards of trustees of the Louisiana State Employees' Retirement System, the Teachers' Retirement System of Louisiana, the Louisiana School Employees' Retirement System, the Municipal Police Employees' Retirement System, the Louisiana State Police Retirement System, the Parochial Employees' Retirement System of Louisiana, the Municipal Employees' Retirement System of Louisiana, the Firefighters' Retirement System, the Assessors' Retirement Fund, the Clerks' of Court Retirement and Relief Fund, ~~the Registrars of Voters Employees' Retirement System~~, the Sheriffs' Pension and Relief Fund, and the District Attorneys' Retirement System shall receive for attendance at meetings of the boards a per diem of seventy-five dollars per meeting plus the normal expense allowance, provided funds are available for this purpose.

* * *

§251. Legal counsel, certified public accountants, professional investment personnel

Notwithstanding any other provisions of law to the contrary, the boards of trustees of the Louisiana State Employees' Retirement System, the Teachers' Retirement System of Louisiana, the Louisiana School Employees' Retirement System, the Municipal Police Employees' Retirement System, the Louisiana State Police Retirement System, the Parochial Employees' Retirement System of Louisiana, the Municipal Employees' Retirement System of Louisiana, the Firefighters Retirement System, the Assessors' Retirement Fund, the Clerks of Court Retirement and Relief Fund, ~~the Registrars of Voters Employees' Retirement System~~, the Sheriffs' Pension and Relief Fund, and the District Attorneys' Retirement System are hereby authorized, jointly or otherwise, to at their option either employ or appoint at their own cost and expense legal counsel, certified public accountants, and professional investment personnel who shall be full-time in-house staff members of said systems, who may be members of the appropriate public retirement system, and who may participate in the state's group life, health, and hospitalization insurance

program, or to retain legal counsel to represent said systems who shall not be a member of any of the above systems.

* * *

SUBPART F. REGISTRARS OF VOTERS EMPLOYEES' RETIREMENT PLAN

§641. Administration of the Registrars of Voters Employees' Retirement Plan

A. With the exception of payment of permanent benefit increases, membership and benefits for the Registrars of Voters Employees' Retirement Plan shall be in accordance with the provisions of Chapter 6 of Subtitle III of Title 11 of the Louisiana Revised Statutes of 1950; however, if provisions of this Chapter cover matters not specifically addressed by the provisions of Chapter 6 of Subtitle III of Title 11 of the Louisiana Revised Statutes of 1950, the provisions of this Chapter shall apply to that plan. The provisions of Chapter 6 of Subtitle III of Title 11 of the Louisiana Revised Statutes of 1950 are hereby made a part of this system. Eligibility for and payment of permanent benefit increases for members of the plan shall be governed by the laws and rules of this system.

B. Notwithstanding any provision of law to the contrary, upon the merger of the Registrars of Voters Employees' Retirement Plan with this system, the assets of the Registrars of Voters Employees' Retirement System shall become part of the Louisiana State Employees' Retirement System trust and shall be managed in accordance with the laws governing this system.

§642. Transfer of other service credit

A. Any member of the Registrars of Voters Employees' Retirement Plan who would otherwise be eligible for the regular retirement plan except that his first employment making him eligible for membership in the Registrars of Voters Employees' Retirement Plan occurred on or before June 30, 2018, and who has not participated in the Deferred Retirement Option Plan in the Registrars of Voters Employees' Retirement Plan shall have the right to irrevocably elect to become a member of the regular retirement plan by submitting an application to the board of trustees to become effective on or after July 1, 2018.

B. Any eligible member who elects to transfer to the regular retirement plan from the Registrars of Voters Employees' Retirement Plan shall have the option of:

(1) Maintaining prior service credit in the Registrars of Voters Employees' Retirement Plan pursuant to the provisions of that plan and accruing service credit and benefits in the regular plan after the date he joins the plan. If such election results in an actuarial cost to this system, the member shall pay the system the amount of such actuarial cost prior to his retirement.

(2)(a) An internal actuarial transfer from the Registrars of Voters Employees' Retirement Plan to this plan in accordance with the provisions of R.S. 11:143(C) and (D) in which the member transfers all of his service credit from the Registrars of Voters Employees' Retirement Plan and maintains prior service credit at the accrual rate at which it was earned in such plan prior to joining the regular plan. If the amount of funds transferred is less than the actuarial cost of the service transferred, the member transferring, except as otherwise provided in this Paragraph, shall pay the deficit or difference, including the interest thereon at the board-approved actuarial valuation rate of the system.

(b) In lieu of paying the deficit or difference plus interest, the member may, at his option but only at the time of transfer, be granted an amount of credit in this plan which is based on the amount of funds actually transferred plus any additional funds less than the deficit paid by the member.

(c) A member who completes a transfer under the provisions of this Paragraph shall have his retirement benefit calculated using the accrual rate of the plan from which he transferred based on the number of years transferred.

C. A member whose first employment making him eligible for membership in the Registrars of Voters Employees' Retirement Plan occurred on or before June 30, 2018, who elects to join this plan shall thereafter for purposes of all state retirement systems be treated as an employee whose membership is governed by the provisions of Act No. 992 of the 2010 Regular Session of the Legislature or Act No. 226 of the 2014 Regular Session of the Legislature.

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CHAPTER 6. REGISTRARS OF VOTERS EMPLOYEES'
RETIREMENT SYSTEM PLAN IN THE LOUISIANA STATE EMPLOYEES'

RETIREMENT SYSTEM

PART I. GENERAL PROVISIONS

§2031. Definitions

The following words and phrases, as used in this Chapter, unless a different meaning is plainly required by the context, shall have the following meanings:

(1) "Accumulated contributions" shall mean the sum of all the amounts deducted from the compensation of a member and credited to his individual account in the ~~annuity savings fund~~ employee savings account established in R.S. 11:532.

(2) "Actuarial equivalent" shall ~~mean a benefit of equal value when computed upon the basis of such mortality tables as shall be adopted by the board of trustees, and regular interest.~~ have the meaning provided for in R.S. 11:403.

* * *

(7) "Board of trustees" shall mean the board provided for in ~~R.S. 11:2091~~ to administer the retirement system R.S. 11:511.

(8) "Creditable service" shall ~~mean service for which credit is allowable as provided in R.S. 11:2061.~~ have the meaning provided for in R.S. 11:403.

* * *

(11) "Employer" shall mean the registrar of voters of any parish in the state of Louisiana, the state of Louisiana, or the police jury or any other governing body of a parish which employs and pays persons as registrars of voters. "Employer" shall also mean ~~this retirement system~~ the Registrars of Voters Employees' Retirement System.

* * *

(14) "Member" shall include any employee, as defined in Paragraph (10) of this Section, included in the membership of this ~~system~~ plan as provided in R.S. 11:2051.

(15) "Membership service" shall mean service as an employee while a member of this ~~system~~ plan.

* * *

(16.1) "Plan" or "pension plan" shall mean the Registrars of Voters Employees' Retirement Plan established in this Part and administered as a plan within the Louisiana State Employees' Retirement System pursuant to R.S. 11:641.

(17) "Prior service" shall mean service rendered prior to ~~the date of the establishment of this retirement system~~ January 1, 1955, for which credit is allowable as provided in R.S. 11:2061.

(18) "Regular interest" shall mean interest compounded annually at such a rate as shall be determined by the board of trustees ~~in accordance with R.S. 11:2111.~~

* * *

(21) "Retirement system" shall mean the ~~Registrars of Voters Employees' Retirement System as defined in R.S. 11:2032~~ Louisiana State Employees' Retirement System.

* * *

§2032. Name and date of establishment

~~A.~~ A retirement system plan is hereby established and placed under the management of the board of trustees for the purpose of providing retirement allowance and other benefits under the provisions of this Chapter for registrars of voters, their deputies, and their permanent employees in each parish hired or appointed on or before June 30, 2018. ~~The retirement system so created shall be established as of the first day of January nineteen hundred and fifty-five.~~

~~B.~~ ~~It shall have the power and the privileges of a corporation and shall be known as the "Registrars of Voters Employees' Retirement System" and by such name all of its business shall be transacted, all of its funds invested and all of its cash and securities and other property held.~~

* * *

§2034. Protection against fraud

Any persons who shall knowingly make any false statement or shall falsify or permit to be falsified any record or records of this retirement system plan in any attempt to defraud ~~such~~ the plan or retirement system as a result of such act shall be

guilty of a misdemeanor, and on conviction thereof by any court of competent jurisdiction shall be punished by a fine not exceeding five hundred dollars or imprisonment in the parish jail not exceeding twelve months, or both such fine and imprisonment at the discretion of the court. Should any change or error in the records result in any member or beneficiary receiving from the plan or retirement system more or less than he would have been entitled to receive had the records been correct, the board of trustees shall correct such error, and as far as practicable, shall adjust the payment in such a manner that the actuarial equivalent of the benefit to which such member or beneficiary was correctly entitled shall be paid.

§2035. Limitation of membership

No other provisions of law ~~in any other status~~ which provides wholly or partly at the expense of the state of Louisiana for pensions or retirement benefits for employees of the several parishes or any parish of the state of Louisiana, their widows, or other dependents, shall apply to members or beneficiaries of the retirement ~~system~~ plan established by this Chapter, their widows, or other dependents.

§2051. Membership

~~A.~~ The membership of the retirement ~~system~~ plan shall be composed as follows:

(1) All persons who ~~shall~~ become employees as defined in R.S. 11:2031(10), except those specifically excluded under R.S. 11:2052, shall become members as a condition of their employment. ~~Any employee who was excluded from membership on the basis of age, shall be entitled to receive credit in the system for the period in which he was denied membership. In order to obtain such membership and credit for such service, each such person shall make application to the board of trustees therefor prior to January 1, 1994, and shall furnish to the board a detailed statement of all service for which credit is claimed. In addition, each such person shall pay into the system the member's and employer's contributions on the salary earned during the period for which credit for service is claimed at the contribution rates which were in effect at the time service was rendered plus eight percent interest thereon from the~~

~~time the service was rendered until paid. However, the employing agency may pay the employer's contributions and interest in its discretion. However, in no event shall the amount paid be less than the actuarial cost of the creditable purchased time. The amount to be paid hereunder shall be paid in one lump sum prior to July 1, 1994. Any person who is an employee as defined in R.S. 11:2031(10), except those excluded under R.S. 11:2052, and who was denied membership in the system because of his age, may elect not to be covered in the membership of the system in accordance with the provisions of Paragraph (2) of this Subsection.~~

~~(2) All persons who are employees as the term is defined in R.S. 11:2031(10), except those specifically excluded under R.S. 11:2052, and who were denied membership in the system on account of age, shall become members on July 1, 1993, unless within a period of ninety days thereafter any such employee shall file with the board of trustees on a form prescribed by such board a notice of his election not to be covered in the membership of the system and a duly executed waiver of all present and prospective benefits which would otherwise inure to him on account of his participation in the retirement system.~~

~~(3)~~ (2) Notwithstanding any other provision of law to the contrary, any person who is retired from service under any actuarially funded state, municipal, parochial, or other retirement system which is supported in whole or in part by public funds, and who is receiving retirement benefits therefrom, who is otherwise eligible for membership in this system plan by reason of employment, shall be eligible to become a member of this system plan if he was under the age of fifty-five years at the time of the employment which normally would render him eligible for membership. Any such person may gain credit for service, rendered on and after January 1, 1976 as an employee in an office of a registrar of voters while he was not a member of the system plan, if he pays into the system an amount equal to all contributions which would have been required had he been a member of the system plan, plus interest thereon at the rate of five percent per annum compounded to the date of repayment. No such person shall be permitted to retire from the system until he has been a member of this system plan for at least four years.

~~B. All persons who are employees as the term is defined in R.S. 11:2031, Paragraph (10) on the date as of which the retirement system is established who are members of any fund or who are eligible for membership in any fund operated for the retirement of employees by the state of Louisiana, or by a city, parish, or other political subdivision of the state of Louisiana when this Chapter takes effect, shall cease to be members in such fund upon the effective date of this Chapter and shall receive a refund of all amounts paid into such fund, together with any interest which may have accrued thereon, and shall become a member of the Registrars of Voters Employees' Retirement System with full credit for all prior service.~~

§2052. Persons not eligible for membership

No elected or appointed official of this state or of any parish thereof who under any provisions of the constitution or laws of this state is subject to retirement with pay is eligible for membership in this system plan.

§2053. Persons failing to elect coverage; admission to membership

A person whose membership in this retirement system plan is contingent on his own election and who elects not to become a member, may thereafter but not subsequent to the attainment of age fifty-five apply for and be admitted to membership; but no such person shall receive prior service credit unless he becomes a member within the first year following ~~the establishment of this retirement system~~ January 1, 1955.

§2054. Persons temporarily employed

Employees who are serving on temporary basis or other than per annum basis shall be ineligible for membership in the system plan.

* * *

§2072. Annual amount of retirement allowance

A. The annual amount of the retirement allowance for persons who retired from this system plan on or before June 30, 1999, shall be three percent of the average compensation for each year of creditable service.

B.(1) The annual amount of the retirement allowance for any person who is an active contributing member of this system plan on or after July 1, 1999, and

whose first employment making him eligible for membership in the system plan occurred on or before January 1, 2013, shall be equal to three and one-third percent of the average compensation for each year of creditable service.

(2) For any former active contributing member who returns to service as an active contributing member on and after July 1, 1999, and whose first employment making him eligible for membership in the system plan began prior to January 1, 2013, the provisions of this Subsection shall apply only to the service credit earned after the date such member returns to service.

* * *

§2074. Disability retirement

A. Eligibility for disability benefits, procedures for application for disability benefits, procedures for the certification of continuing eligibility for disability benefits, the authority of the board of trustees to modify disability benefits, and procedures governing the restoration to active service of an employee who formerly had a disability are specifically described and provided for in R.S. 11:201 through ~~224~~ 225.

* * *

§2075. Return of accumulated contributions

A. If a member ceases to be an employee, except by death or retirement under the provisions of this Chapter, he shall be paid such part of the amount of the accumulated contributions standing to the credit of his individual account in the annuity savings fund as he shall demand. If a member dies before retirement, the amount of his accumulated contributions standing to the credit of his individual account shall be paid to his estate or to such person as he shall have nominated by written designation, duly executed and filed with the board of trustees. If an employee returns to membership in the system plan after withdrawing his contributions and remains a contributing member for four years, he then shall be entitled to repay the amount which he withdrew, plus interest at a rate determined by the board of trustees, and upon such repayment, he shall again be given credit for the service he forfeited at the time he withdrew.

B. Any request for a refund of accumulated contributions or a repayment of refunded contributions made on or after July 1, 2019, shall be governed by the provisions of R.S. 11:537.

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§2077. Survivors' benefits

* * *

C. Should the spouse desire to receive in lieu of such Option 2 benefits a refund of the member's contributions, with interest earned thereon, ~~she~~ he may do so by specifying ~~her~~ his choice in writing, properly notarized, to the board of trustees ~~of the Registrars of Voters Employees' Retirement System~~. The retirement system shall pay a lump sum refund equal to the difference between total monthly survivor benefits paid and total accumulated contributions, if any, on cessation of all eligible monthly payments.

* * *

§2078. Reemployment of retirees

A. In the event any retiree of the ~~system~~ plan is employed by an employer covered by this ~~system~~ plan, the retiree and the employer shall immediately notify the system of the retiree's date of employment, the amount of salary paid, any changes in salary while reemployed, number of hours employed per week, estimated duration of employment, and date of termination of reemployment.

B.(1) Any retiree of this plan may be employed by an employer covered by this ~~system~~ plan without suspension of benefits provided the retiree has terminated employment for at least six consecutive months. Such retiree may be employed for no more than sixty days, or four hundred eighty hours, in a calendar year. Should the portion of the calendar year available for employment be less than twelve months, the period of employment without reduction in benefits shall be reduced on a pro rata basis.

(2) Should any retiree of this plan be employed in excess of the amount of time provided for in Paragraph (1) of this Subsection, his retirement benefit shall be reduced by an amount equal to the amount earned in excess of the limitation. The

reduction in benefits shall begin with the next payroll after the system receives notification of such employment.

C. Should any retiree of this plan be employed by an employer covered by this ~~system~~ plan within six months of termination of employment, his retirement benefit shall be reduced by an amount equal to that earned during such employment. Such reduction shall begin with the next payroll after the system receives notification of such employment.

D. Should any retiree of this plan return to full-time permanent employment by an employer covered by this ~~system~~ plan at any time after termination of employment, his retirement benefit shall be suspended and he shall become an active contributing member of the ~~system~~ plan. Upon his subsequent retirement, he shall receive his original benefit plus a supplemental benefit based on his salary and service earned since his reemployment. No change shall be permitted in the member's original option; however, at the end of the period of reemployment, the member shall select any option authorized as to any supplemental benefit earned.

E. Notwithstanding any other provision of this Section to the contrary, the employment of any retiree of the plan by an employer covered by this plan, whose reemployment occurs on or after July 1, 2019, shall be governed exclusively by the provisions of R.S. 11:416.

§2131. Funds to which assets credited

All of the assets of the retirement system shall be credited according to the purpose for which they are held to one of five funds, namely, the ~~annuity savings fund, the annuity reserve fund, the pension accumulation fund,~~ employees' savings account, the retiree's annuity reserve, the employers' accumulation account, the member supplemental savings fund, and the expense fund.

§2132. ~~Annuity savings fund;~~ Employees' savings account; contributions to fund;
amount of employee contributions

The ~~annuity savings fund~~ employees' savings account established in R.S. 11:532 shall be a fund in which shall be accumulated contributions from the compensation of members to provide for their annuities. ~~Contributions to and~~

~~payments from the annuity savings fund shall be made as follows~~ The employees' savings account shall be credited and charged as provided in R.S. 11:532 and as follows:

(1) Each employer shall cause to be deducted from the salary of each member on every payroll of such employer for every payroll period a percentage equal to the rate established pursuant to R.S. ~~11:62(13)~~ 11:62(5) of each member's earnable compensation. ~~In determining the amount earnable by a member in a payroll period, the board of trustees may consider the rate of annual compensation payable to such member on the first day of the payroll period as continuing throughout such payroll period, and it may omit deduction from compensation for any period less than a full payroll period. To facilitate the making of deductions, it may modify the deduction required of any member by such an amount as shall not exceed one-tenth of one percent of the annual compensation upon the basis of which such deduction is to be made.~~

(2) The deductions provided for in this Section shall be made notwithstanding that the minimum compensation provided for by law for any member shall be reduced thereby. Every member shall be deemed to consent and agree to the deductions made and provided for in this Section and shall receipt for his full salary or compensation, and payment of salary or compensation less said deductions shall be a full and complete discharge and acquittance of all claims and demands whatsoever for the services rendered by such person during the period covered by such payment, except as to the benefits provided by this Chapter. The employer shall certify to the board of trustees on each and every payroll or in such other manner as the board of trustees may prescribe, the amounts to be deducted; and each of said amounts shall be deducted, and when deducted shall be paid into said ~~annuity savings fund~~ employees' savings account, and shall be credited together with regular interest thereon to the individual account of the member from whose compensation said deduction was made.

§2133. Additional member contributions or deposits to ~~annuity savings fund~~ employees' savings account

In addition to the contribution deducted from compensation as ~~hereinbefore~~ provided in R.S. 11:2132, subject to the approval of the board of trustees any member may, on or before June 30, 2019, redeposit in the ~~annuity savings fund~~ employees' savings account a single payment or by an increased rate of contribution an amount computed to be sufficient to purchase an additional annuity, which together with his prospective retirement allowance, will provide for him a total retirement allowance of not to exceed one-half of his average final compensation at age sixty. No such additional amounts shall be deposited on or after July 1, 2019. Such additional amounts so deposited shall become a part of his accumulated contributions except in the case of retirement, when they shall be treated as excess contributions returnable to the member in cash or as an annuity of equivalent actuarial value and shall not be considered in computing his pension. The accumulated contributions of a member withdrawn by him, or paid to his estate or to his designated beneficiary in the event of his death as provided in the Chapter, shall be paid from the ~~annuity savings fund~~ employees' savings account. Upon the retirement of a member his accumulated contributions shall be transferred from the ~~annuity savings fund to the annuity reserve fund~~ employees' savings account to the retirees' annuity reserve.

§2134. ~~Annuity reserve fund~~ Retiree's annuity reserve

The ~~annuity reserve fund~~ retiree's annuity reserve established pursuant to R.S. 11:534 shall be the fund in which shall be held the reserves on all annuities in force and from which shall be paid all annuities and all benefits in lieu of annuities, payable as provided in this Chapter. The retiree's annuity reserve shall be credited and charged as provided in R.S. 11:534. ~~Should a beneficiary retired on account of disability be restored to active service with a compensation not less than his average final compensation at the time of his last retirement his annuity reserve shall be transferred from the annuity reserve fund to the annuity savings fund and credited to his individual account therein.~~

§2135. ~~Pension~~ Employers' accumulation fund; contributions to and payments from fund; determination of ~~normal and accrued liability contributions~~ employer contributions; remedies

* * *

B. The ~~pension~~ employers' accumulation fund established pursuant to R.S. 11:533 shall be the fund in which shall be accumulated all reserves for the payment of all pensions and other benefits payable from contributions made by employers and each tax collector as provided for in this Section and from which shall be paid all pensions and other benefits on account of members with prior service credit. The employers' accumulation fund shall be credited and charged as provided in R.S. 11:533.

C. Contributions to and payments from the ~~pension~~ employers' accumulation fund shall be made as follows:

(1) Each tax collector shall deduct one-sixteenth of one percent of the aggregate amount of the tax shown to be collected by the tax roll of each respective parish which money each tax collector shall turn over to the ~~Registrars of Voters Louisiana State Employees' Retirement System of Louisiana, created by this Chapter,~~ periodically at the same time he disburses funds to the tax recipient bodies of his respective parish. Such funds shall be credited to the employers' accumulation fund and shall be applied as provided in R.S. 11:82(A)(7).

(2) ~~Should the amount paid and credited under Paragraph (1) of this Subsection be for a larger amount than the amount required by the Public Retirement Systems' Actuarial Committee to be paid and credited to the Pension Accumulation Fund and the Members' Supplemental Savings Fund, then the payment to be received by the retirement system in the following year shall be reduced accordingly. The employer shall annually contribute an amount equal to the rate calculated pursuant to R.S. 11:102. Contributions shall be made monthly based on the same salary or wages used to calculate the members' contributions and such contributions shall be paid into the employers' accumulation account established in R.S. 11:533.~~

~~(3) Should the amount paid and credited to the Pension Accumulation Fund in accordance with Paragraph (1) of this Subsection be a smaller amount than the amount required as determined by the Public Retirement Systems' Actuarial Committee, then any additional amount required shall be contributed by the employers and each employer shall contribute an amount determined as follows: compute the percent that the deficient amount is of the aggregate salaries or compensation of all members in the employ of all employers on which employers' contributions are due. Each employer then shall pay this percent of the aggregate salaries of all employees in his employ on which employers' contributions are done.~~

~~* * *~~

§2139. Members' Supplemental Savings Fund

A. The Members' Supplemental Savings Fund shall be the fund in which shall be accumulated contributions received on or before June 30, 2019, from the dedicated taxes and revenue sharing to the system in excess of those required contributions to the Pension Accumulation Fund as established by the Public Retirement Systems' Actuarial Committee, not to exceed three percent of the salaries paid during the fiscal year preceding the year in which funds are received. Beginning with fiscal year 2019-2020, all dedicated taxes and revenue sharing shall be applied pursuant to R.S. 11:82(A)(7) and no additional taxes or revenue sharing funds shall be transferred or credited to the Members' Supplemental Savings Fund. ~~Funds shall be transferred from the depository for such deductible taxes to the Members' Supplemental Savings Fund and allocated at the end of each fiscal year to the members' individual accounts in proportion to the salaries reported during the fiscal year for active contributing members who are still employed by the employer at the end of the fiscal year. The actual amount of funds to be transferred to the Members' Supplemental Savings Fund shall be three percent of the salaries paid during the fiscal year preceding the year in which the funds are received to members who were active contributing members during the fiscal year unless the Public Retirement Systems' Actuarial Committee recommends a lesser percentage based on the requirements of the Pension Accumulation Fund and available dedicated taxes.~~

* * *

§2141. Collection of member contributions

The collection of members' contributions shall be as follows:

(1) Each employer shall cause to be deducted on each and every payroll of a member for each and every payroll period subsequent to ~~the date of establishment of the retirement system~~ January 1, 1955, the contributions payable by such member, as provided in this Chapter. Each employer shall certify to the treasurer of said employer on each and every payroll a statement as vouchers for the amount so deducted.

(2) The treasurer, or other officer authorized to issue warrants, of each employer, on the authority from the employer, shall make deductions from salaries of members as provided in this Chapter, and shall transmit monthly the amount specified to be deducted to ~~the director of the board of trustees. The director of the board of trustees after making a record of all such receipts shall deposit them with the state treasurer for use according to the provisions of this Chapter, or in a bank or banks selected by the state treasurer and approved by the board of trustees. the retirement system in accordance with R.S. 11:531.~~

§2144. Deferred Retirement Option Plan

* * *

C.(1) The duration of participation in the ~~plan~~ Deferred Retirement Option Plan shall be specified and shall not exceed three years.

(2) Any person who had previously participated in the Deferred Retirement Option Plan, who remained in service after participating in the ~~plan~~ Deferred Retirement Option Plan and who continues to be in service on July 1, 1993, shall be allowed to participate in the ~~plan~~ Deferred Retirement Option Plan for one additional year subject to the same conditions and benefit payments that existed when the person first entered participation; written notice of the member's decision to reenter participation shall be given to the system.

D. A person may participate in the ~~plan~~ Deferred Retirement Option Plan only once. At the time the member elects to participate in the ~~plan~~ Deferred

Retirement Option Plan, the member shall exercise a retirement option for service retirement under the provisions of Subsection H of this Section and no change in the option selected shall be permitted after it has been filed with the board.

E. Upon the effective date of the commencement of participation in the ~~plan~~ Deferred Retirement Option Plan, active membership in the ~~system plan~~ shall terminate. Employer contributions shall continue to be payable by the employer during the person's participation in the ~~plan~~ Deferred Retirement Option Plan, but payment of employee contributions shall cease upon the effective date of the person's commencement of participation in the ~~plan~~ Deferred Retirement Option Plan. For purposes of this Section, compensation and creditable service shall remain as they existed on the effective date of commencement of participation in the ~~plan~~ Deferred Retirement Option Plan. The monthly retirement benefits that would have been payable, had the person elected to cease employment and receive a serviced retirement allowance, shall be paid into the Deferred Retirement Option Plan Fund.

F. The Deferred Retirement Option Plan shall not earn interest. A person who participates in ~~this plan~~ the Deferred Retirement Option Plan shall not be eligible to receive a cost-of-living increase while participating, and shall not be eligible for a cost-of-living increase until the employment which made the person eligible to become a member of the ~~system plan~~ has been terminated for at least one full calendar year.

G. Upon termination of employment at the end of the specified period of participation, a participant in the ~~plan~~ Deferred Retirement Option Plan shall receive, at his option, a lump sum payment from the Deferred Retirement Option Plan Fund equal to the payments made to that fund on his behalf, a true annuity based upon his account in that fund, or any other method of payment approved by the board of trustees. If a person elects to receive a true annuity or other method of payment approved by the board of trustees, funds shall be transferred from the Deferred Retirement Option Plan Fund to the ~~Annuity Reserve Fund~~ retiree's annuity reserve to provide for the annuity payments. The monthly benefits that were being paid into the Deferred Retirement Option Plan Fund shall begin to be paid to the retiree.

H. If a participant dies during the period of participation in the ~~plan~~ Deferred Retirement Option Plan, a lump sum equal to the account balance in the ~~plan~~ Deferred Retirement Option Plan fund shall be paid to his named beneficiary or, if none, to the estate. If a participant terminates employment prior to the end of the specified period of participation, the participant shall receive a lump sum payment from the ~~plan~~ Deferred Retirement Option Plan fund equal to his account in that fund, a true annuity based upon his account in that fund, or any other method of payment approved by the board of trustees and the monthly benefits that were being paid into the ~~plan~~ Deferred Retirement Option Plan fund shall begin to be paid to the retiree. If a person elects to receive a true annuity or other method of payment approved by the board of trustees, funds shall be transferred from the ~~plan~~ Deferred Retirement Option Plan to the ~~Annuity Reserve Fund~~ retiree's annuity reserve to provide for the annuity payments.

I. If employment is not terminated at the end of the period specified for participation in the ~~plan~~ Deferred Retirement Option Plan, payments into the ~~plan~~ Deferred Retirement Option Plan fund shall cease and the person shall resume active contributing membership in the ~~system~~ plan. Payments from the ~~plan~~ Deferred Retirement Option Plan fund shall not be made until employment is terminated, nor shall the monthly benefits which were being paid into the ~~plan~~ Deferred Retirement Option Plan fund during the period of participation be payable to the person until the employment is terminated. Upon termination of employment, the person shall receive a lump sum payment from the ~~plan~~ Deferred Retirement Option Plan fund equal to the account in that fund, a true annuity based upon the account in that fund, or any other method of payment approved by the board of trustees. If a person elects to receive a true annuity or other method of payment approved by the board of trustees, funds shall be transferred from the ~~plan~~ Deferred Retirement Option Plan fund to the ~~Annuity Reserve Fund~~ retiree's annuity reserve to provide for the annuity payments. Also upon termination of employment, the monthly benefits which were being paid into the ~~plan~~ Deferred Retirement Option Plan fund shall begin to be paid to the retiree who shall receive a supplemental benefit based on the additional service

rendered since resuming active contributing participation in the fund, in an amount attributable to the service and average compensation during the subsequent participation based on the computation formula in effect at the end of the subsequent participation. Any supplemental benefit shall be based on the subsequent participation compensation and service credit only, except the years of subsequent participation shall be added to the member's retirement service credit to determine the supplemental service credit accrual rate for purposes of computing any supplemental benefits earned during the subsequent participation. No change in the retirement options selected by the member shall be permitted as to the original retirement. However, at the end of the subsequent participation the member shall be permitted to select any option authorized as to any supplemental benefits earned by virtue of the subsequent participation.

* * *

§2161. Establishment of excess benefit ~~plan~~ arrangement

There is hereby created outside the trust fund of the retirement system a separate, unfunded, nonqualified excess benefit ~~plan~~ arrangement containing the terms and provisions set forth in ~~this Part and intended to be a qualified governmental excess benefit arrangement, as defined in Section 415(m)(3) of the Code.~~ R.S. 11:454. This excess benefit arrangement shall be administered as a governmental excess benefit arrangement under Section 415(m) of the Internal Revenue Code of 1986. The purpose of the excess benefit arrangement is to pay to retirees of the retirement system benefits otherwise payable by the retirement system that exceed the limitations on benefits imposed by Section 415(b)(1)(A) of the Internal Revenue Code of 1986.

§2165.1. Creation; application

There is hereby created a second tier of benefits within this ~~system plan~~ for persons whose first employment making them eligible for membership in this system plan occurred on or after January 1, 2013, and on or before June 30, 2018. The provisions of this Part shall be known as "Tier 2" of the ~~system plan~~. The provisions of this Chapter applicable to persons whose first employment making them eligible

for ~~system plan~~ membership occurred before January 1, 2013, shall be known as "Tier 1". Any other provisions of this Chapter or any other laws to the contrary notwithstanding, the retirement of such persons shall be governed by the provisions of this Part; however, if provisions of this Chapter applicable to the original plan cover matters not specifically addressed by the provisions of this Part or if any of the provisions of this Chapter are made applicable in this Part, then those provisions shall apply to members governed by this Part.

§2165.2. Definitions

A. As used in this Part, the following terms have the meanings ascribed below unless a different meaning is clearly required by the context:

* * *

(2) "Member" shall include persons who would be eligible for ~~system plan~~ membership pursuant to R.S. 11:2051 but whose first employment making them eligible for membership in this ~~system plan~~ occurred on or after January 1, 2013, and on or before June 30, 2018.

* * *

§2165.3. Eligibility for membership

Each person who would be eligible for Tier 1 membership but whose first employment making him eligible for membership in this ~~system plan~~ occurred on or after January 1, 2013, and on or before June 30, 2018, shall become a member of the Tier 2 of the ~~system plan~~ as a condition of employment.

* * *

§2165.5. Annual amount of retirement allowance

A. The annual amount of the retirement allowance for any member who upon retirement has less than thirty years of creditable service in this ~~fund plan~~ shall be three percent of the average final compensation for each year of creditable service. The annual amount of the retirement allowance for any member who upon retirement shall have at least thirty years of total creditable service, with at least twenty years of creditable service in this ~~system plan~~, shall be three and one-third percent of the average final compensation for each year of creditable service.

* * *

Section 3. R.S. 11:22(B)(10), 62(13), 105(A)(6), 106(A)(4), 107(A)(5), 107.1(A)(5), 242(B)(6), 243(A)(6), 246(A)(6), 2061, 2062, 2073, 2091 through 2115, 2136 through 2138, 2140, 2142, 2143, and 2162 through 2164 are hereby repealed in their entirety.

Section 4.(A) The transfer of the administration of the Registrars of Voters Employees' Retirement System to the Louisiana State Employees' Retirement System shall be accomplished in accordance with this Act and shall be completed on or before July 1, 2019.

(B) The board of trustees of the Registrars of Voters Employees' Retirement System shall provide all member records to the Louisiana State Employees' Retirement System in electronic format, if available, and in a manner that protects the integrity and confidentiality of the data. The board of trustees of the Registrars of Voters Employees' Retirement System shall transfer to the Louisiana State Employees' Retirement System, if requested, duplicate member records as soon as possible following the effective date of this Act so as to permit the orderly processing and payment of retiree and survivor benefits beginning July 1, 2019. In order to minimize the cost of the transition, all contracts between the board of trustees of the Registrars of Voters Employees' Retirement System and its service providers in effect on the effective date of this Act shall be terminated as soon as possible following the effective date of this Act in a manner that is consistent with the terms and conditions of those agreements and that will not adversely impact the effective and efficient administration of the Registrars of Voters Employees' Retirement System.

(C) The Louisiana State Employees' Retirement System, with the cooperation of the professional consultants of the Registrars of Voters Employees' Retirement System, using accepted fiduciary principles, shall analyze the assets which make up the Registrars of Voters Employees' Retirement System portfolio and prepare a recommendation for the most financially sound and advantageous method of transferring those assets to the Louisiana State Employees' Retirement System. Based on this recommendation, the board of trustees of the Registrars of Voters Employees' Retirement System shall liquidate those investments which the Louisiana State Employees' Retirement System and the professional consultants of the Registrars of Voters Employees' Retirement System determine, by applying accepted

fiduciary principles, should not be transferred and transfer the resulting cash and all of the remaining investments not liquidated to the Louisiana State Employees' Retirement System on July 1, 2019, and their value shall be included in the determination of the unfunded accrued liability of the Registrars of Voters Employees' Retirement System.

(D) The balance of the Registrars of Voters Employees' Retirement System funding deposit account as of June 30, 2019, if any, shall be charged to reduce the unfunded accrued liability of the Registrars of Voters Employees' Retirement System calculated pursuant to this Section.

(E) As of June 30, 2019, the amount of the unfunded accrued liability of the Registrars of Voters Employees' Retirement System shall be determined using the Louisiana State Employees' Retirement System actuarial assumptions, entry age normal actuarial funding method, and the market value of the assets to be transferred by the Registrars of Voters Employees' Retirement System to the Louisiana State Employees' Retirement System pursuant to this Act. The unfunded accrued liability of the Registrars of Voters Employees' Retirement System, and the amortization of such liability, shall be specifically noted and considered in determining the annual valuation of the Louisiana State Employees' Retirement System for the fiscal year ended June 30, 2019.

(F) The term of office of every member serving on the Registrars of Voters Employees' Retirement System board of trustees shall terminate on July 1, 2019, upon the completion of the transfer of assets from the Registrar of Voters Employees' Retirement System to the Louisiana State Employees' Retirement System, and the board shall be dissolved and its duties and functions assumed by the board of trustees of the Louisiana State Employees' Retirement System as provided in this Act.

(G) The members of the Registrars of Voters Employees' Retirement System board of trustees shall remain fiduciarily liable, as provided in Subpart I of Part II of Chapter 4 of Subtitle I of Title 11 of the Louisiana Revised Statutes of 1950, for the decisions made and contracts entered into during their tenure. The members of the Louisiana State Employees' Retirement System board of trustees who were never members of the Registrars of Voters Employees' Retirement System board shall not be considered fiduciaries with respect to

decisions made and contracts entered into by the Registrars of Voters Employees' Retirement System.

Section 5. Except as provided for in this Act, the Louisiana State Law Institute shall change every reference of "Registrars of Voters Employees' Retirement System" to "Registrars of Voters Employees' Retirement Plan" in Title 11 of the Louisiana Revised Statutes of 1950.

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

Section 7.(A) The provisions of Section 2, 3, and 5 of this Act shall become effective on July 1, 2019.

(B) The provisions of this Section and Sections 1, 4, and 6 of this Act shall become effective on June 30, 2018.

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 Draft

2018 Regular Session

Abstract: Provides for enrollment of new registrars of voters and new hires of an office of registrar of voters in the La. State Employees' Retirement System (LASERS) and for incorporation of the existing Registrars of Voters Employees' Retirement System (ROVERS) into LASERS.

Proposed law generally provides for enrollment of newly appointed registrars of voters and new hires of an office of registrar of voters into LASERS, effective July 1, 2018, and for merger of the existing ROVERS into LASERS, as more fully explained below.

Newly appointed registrars of voters and new hires of an office of registrar of voters

Present law establishes a rank and file plan in LASERS, a state retirement system. Members of such plan whose first employment making them eligible for membership in a La. state retirement system occurs on or after July 1, 2015, receive a 2.5% accrual rate with an employee contribution rate of 8%. Members of such plan are eligible to retire with 5 years of service at age 62.

Present law provides that any registrar of voters, employee of a registrar of voters, employee of ROVERS or employee of the La. Registrar of Voters Association, Inc., shall be a member of ROVERS. Proposed law instead places any registrar of voters or employee of an office of a registrar of voters first hired or appointed on or after July 1, 2018, in the rank and file plan in LASERS.

Members of the Registrars of Voters Employees' Retirement System

Present law establishes ROVERS as a statewide retirement system to provide for the retirement of any registrar of voters in the state of La., any deputy or permanent employee of the office of registrar of voters in any parish, any employee of ROVERS, or any employee of the La. Registrar of Voters Association, Inc. Proposed law abolishes ROVERS as an independent retirement system and recreates it as a plan (the ROVER Plan) within LASERS beginning July 1, 2019 for ROVER Plan members hired or appointed before July 1, 2018.

Present law allows the ROVERS board to set the employee contribution rate between 7% and 9%. Proposed law sets the employee contribution rate for ROVER Plan members at 7%.

Present law authorizes the ROVERS board to provide permanent benefit increases (PBIs) to retirees in certain circumstances. Proposed law provides that future PBIs for ROVER Plan retirees and beneficiaries shall be calculated and granted pursuant to present law relative to LASERS.

Present law authorizes a ROVERS member to withdraw his accumulated contributions if he leaves employment prior to reaching retirement. Further allows a member who thereafter returns to membership to repay the amount withdrawn plus interest if he remains a contributing member for four years. Proposed law authorizes a ROVER Plan member who returns to membership to repay the full or partial amount withdrawn plus interest if he remains a contributing member for 18 months, pursuant to present law relative to LASERS.

Present law allows a ROVERS retiree who has been retired for at least six months to return to work in a position covered by the system without benefit suspension for no more than 60 days, or 400 hours, in a calendar year. During any reemployment in excess of 60 days, his retirement benefit shall be reduced. Further provides that a retiree who returns to full-time permanent employment shall have his benefit suspended and earn a supplemental benefit. Proposed law provides ROVER Plan members three options for reemployment, provided by present law relative to LASERS. "Option 1" permits the retiree to return to work without benefit suspension provided his earnings do not exceed 50% of his annual retirement benefit. "Option 2" permits the retiree to regain membership and have his service credit restored by repaying retirement benefits received and employer and employee contributions plus interest. "Option 3" permits the retiree to suspend his benefit and become a member of the system and receive a supplemental benefit if he returns to work for at least 36 months.

Present law allocates a portion of ad valorem taxes to ROVERS to fund member benefits. Proposed law provides that beginning July 1, 2019, shall be applied to the ROVER Plan employer's actuarially required contribution until the ROVERS unfunded accrued liability (UAL) as of June 30, 2019, has been fully funded. Thereafter, the funds shall be split between the ROVER Plan and LASERS rank-and-file plan.

Proposed law retains all other plan provisions relative to members of ROVERS provided by present law including the calculation of employee and employer contributions as they apply to members of the ROVER Plan.

Proposed law authorizes active members of the ROVER Plan to transfer service credit to LASERS. Requires the member to pay any actuarial cost, calculated according to present law, for such transfers.

Transfer of ROVERS assets, liabilities, and plan administration

Present law provides for the administration of ROVERS by a board of trustees comprised of active, retired, and ex officio members. Proposed law repeals the ROVERS board on July 1, 2019, and provides that the ROVER Plan shall be administered by the LASERS board after the merger.

Proposed law provides that the transition of the administration of the ROVER Plan to LASERS shall be completed on or before July 1, 2019. Provides for the merger of ROVER Plan assets into the LASERS trust. Provides that the ROVERS UAL shall be calculated

using LASERS actuarial assumptions, entry age normal actuarial funding method, and the market value of assets to be transferred by ROVERS to LASERS. Provides that the balance of the ROVERS funding deposit account shall be used to reduce the ROVERS UAL.

Present law relative to LASERS provides for a shared unfunded accrued liability rate computed for each fiscal year, applicable to all plans within LASERS. Proposed law provides that the shared unfunded accrued liability rate applicable to the ROVER Plan shall not include any unfunded accrued liability incurred by LASERS on or before July 1, 2019, until July 1, 2029. Provides that the unfunded accrued liability of ROVERS as of June 30, 2019, shall be amortized as a level-dollar amount from July 1, 2020, through June 30, 2029, payable by the ROVER Plan employers.

Effective July 1, 2018 and July 1, 2019.

(Amends R.S. 11:82(A)(7), 102(C)(3)(m) and (6)(b)(i) and (c), 182(A)(1), 251, 2031(1), (2), (7), (8), (10), (11), (14), (15), (17), (18), and (21), 2032, 2034 – 2054, 2072(A) and (B), 2074(A), 2075, 2077(C), 2078, 2131 – 2134, 2135(B) and (C), 2139(A), 2141, 2144(C) – (I), 2161, 2165.1, 2165.2(A)(2), 2165.3, and 2165.5(A); Adds R.S. 11:62(5)(h), 102(C)(3)(n) and (6)(b)(iii), 411(10), 641, 642, and 2031(16.1); Repeals R.S. 11:22(B)(10), 62(13), 105(A)(6), 106(A)(4), 107(A)(5), 107.1(A)(5), 242(B)(6), 243(A)(6), 246(A)(6), 2061, 2062, 2073, 2091 – 2115, 2136 – 2138, 2140, 2142, 2143, and 2162 – 2164)