

SENATE FLOOR AMENDMENTS

2020 Regular Session

Amendments proposed by Senator Peacock to Engrossed House Bill No. 8 by Representative Bourriaque

1 AMENDMENT NO. 1

2 Delete the set of Senate Committee Amendments proposed by the Senate Committee on
3 Retirement and adopted by the Senate on May 26, 2020

4 AMENDMENT NO. 2

5 On page 1, line 2, after "enact" delete the remainder of the line and insert "R.S. 11:710(G)
6 and 710.1, relative to the"

7 AMENDMENT NO. 3

8 On page 1, line 10, after "R.S." change "11:710(A)(6)(c) is" to "11:710(G) and 710.1 are"

9 AMENDMENT NO. 4

10 On page 1, at the end of line 11 insert "on or before June 30, 2020" and delete lines 12
11 through 20 and insert:

12 " * * *

13 G. Notwithstanding any other provision of law to the contrary, the provisions of this
14 Section shall be applicable only to a retiree who returns to active service with an employer
15 covered by the provisions of this Chapter on or before June 30, 2020, and any retiree covered
16 under Subparagraph (A)(6)(a) of this Section.

17 § 710.1. Employment of retirees on or after July 1, 2020

18 A. Except as otherwise provided in this Section, any retiree who returns to active
19 service with an employer covered by the provisions of this Chapter on or after July 1, 2020,
20 shall for that period of employment choose one of the following irrevocable options, which
21 shall be made in writing and filed with the appropriate officer of the employer:

22 (1) Option 1. (a) Any retiree may be employed in any position covered by this system
23 during any fiscal year, provided that his earnings in such employment do not exceed
24 twenty-five percent of his final average compensation during any fiscal year. If actual
25 earnings exceed this amount in any fiscal year, the benefits payable to the retiree shall be
26 reduced by the amount in excess of twenty-five percent of his final average compensation.

27 (b) During the period of his return to active service, the retiree and his employer shall
28 make contributions to the retirement system as otherwise provided by law, but the retiree
29 shall receive no additional service credit and shall not accrue any additional retirement
30 benefits in the retirement system. Upon termination of active service, the retiree shall, upon
31 application, be refunded the employee contributions paid since reemployment. The refund
32 shall be without interest. The retirement system shall retain the employer contributions.

33 (c) Any retiree employed in a full-time position exercising Option 1 as provided in
34 this Paragraph may prospectively exercise Option 2 any time prior to or after reaching
35 twenty-five percent of his final average compensation. In such case, all employee
36 contributions made in accordance with this Paragraph prior to the exercise of Option 2 shall
37 be refunded at that time. If a retiree has earned in excess of twenty-five percent of his final
38 average compensation prior to an election made pursuant to this Subparagraph, the employee
39 contributions eligible for refund or the benefits payable to the retiree shall be reduced by said
40 amount.

41 (2) Option 2. Any retiree employed in a full-time position covered by this system
42 may request immediate suspension of his benefit, which may include all Deferred
43 Retirement Option Plan and Initial Lump Sum Benefit distributions, and become a member
44 of this system, effective on the first day of reemployment or on the first day a retiree notifies
45 the system of his election to suspend his benefits after using Option 1. Upon such regaining
46 of membership, the retiree and his employer shall make contributions to the retirement

1 system as otherwise provided by law. Upon subsequent retirement, his suspended retirement
2 allowance shall be restored to full force and effect effective as of the date a properly
3 executed application for subsequent retirement is received by the board of trustees of this
4 system or the date after the member terminates from service, whichever is later. The retiree
5 shall be eligible for a supplemental benefit under this option using the same computation
6 formula used at the retiree's original retirement. If the retiree has been reemployed and
7 contributed for less than thirty-six months, his original final average compensation shall be
8 used in the calculation of his supplemental benefit. If the retiree has been reemployed and
9 contributed for at least thirty-six months, the final average compensation used to calculate
10 the supplemental benefit shall be the greater of his original final average compensation or
11 his final average compensation since reemployment. In no event shall the member receive
12 duplicate credit for unused sick and annual leave that had been included in the computation
13 of his original retirement allowance. Any supplemental benefit shall be based on
14 reemployment service credit only and shall not include any other specific amount which may
15 otherwise be provided in the regular retirement benefit computation formula, including sick
16 and annual leave. No supplemental benefit shall be payable until ninety days after the date
17 of termination of reemployment as certified by the employer. In the event of the member's
18 death prior to subsequent retirement, payment of benefits to the designated beneficiary or
19 survivor shall be in accordance with the option selected by the member at the time of his
20 original retirement in accordance with R.S. 11:783(A)(2) and in accordance with any benefit
21 payable in accordance with R.S. 11:762(C) and (I). No change in the option originally
22 selected by the member in accordance with R.S. 11:783(A)(2) shall be permitted. In no event
23 shall the supplemental benefit exceed an amount which, when combined with the original
24 benefit, equals one hundred percent of the greater of the average compensation figure used
25 to compute the supplemental benefit or the average compensation figure used to compute
26 the original benefit. Under no circumstances shall any person who has regained membership
27 pursuant to the provisions of this Paragraph be allowed to purchase service credit for any
28 period employed in public service during which he continued to draw his retirement
29 allowance. Upon regaining membership pursuant to this Paragraph and subsequent
30 retirement, if a retiree has any subsequent employment that is not full-time employment, he
31 shall be permitted to select Option 1 for such reemployment as well as full-time employment
32 thereafter.

33 B. Any retiree who continues to be covered by R.S. 11:710 may elect to be covered
34 by the provisions of this Section. Any retiree who makes an election to be covered by this
35 Section shall no longer be covered by the provisions of R.S. 11:710.

36 C.(1) Any retiree who returns to active service covered by the provisions of this
37 Chapter within the twelve-month period immediately following the effective date of such
38 retirement shall have his retirement benefits suspended for the duration of such active
39 service or the lapse of twelve months from the effective date of his retirement, whichever
40 occurs first, even if such service is based on employment by contract or corporate contract.

41 (2) No person who retires based on a disability shall be authorized to return to service
42 pursuant to the provisions of this Section. Disability retirees shall be covered by the
43 provisions of law applicable to disability retirees.

44 (3) Any retiree who returns to active service with an employer covered by the
45 provisions of this Chapter shall have his benefit suspended for the duration of his period of
46 reemployment if such reemployment is based on a contract or corporate contract. The retiree
47 and his employer shall not make contributions to the system during such time, and he shall
48 receive no additional service credit and shall not accrue any additional retirement benefits.

49 D.(1) When any retiree covered by this Section returns to active service with an
50 employer covered by the provisions of this Chapter, the employing agency shall, within
51 thirty days thereafter, notify the board of trustees in writing of such employment and the date
52 on which employment commenced. Upon termination, the agency shall provide the same
53 notice. In addition, the employing agency shall also report to the retirement system within
54 forty-five days after June thirtieth of each year, the names of all persons being paid by the
55 employing agency and all persons having received a benefit, whether by contract or
56 corporate contract, pursuant to the provisions of this Section, along with such individuals'
57 social security numbers, their positions, their designations as part-time or full-time, and the
58 amount of their earnings during the previous fiscal year ending on June thirtieth of the
59 reporting year. Additionally, the employing agency shall transmit a monthly contributions
60 report pursuant to R.S. 11:888(A). Such monthly reports shall be transmitted within thirty
61 days of the last day of each month and shall include the salary paid to each individual retiree

1 to whom this Section applies. 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 being
3 made in violation of this Section, the employing agency shall be liable to the system for the
4 repayment of such amounts.

5 (2) Should any employer covered by the system employ a retiree subject to this
6 provision and fail to submit the report required by this Subsection, the retiree shall be
7 considered as returning to active service under the provisions of Option 1 above.

8 E. (1) The salary of any retiree who is reemployed pursuant to the provisions of this
9 Section shall be based on the salary schedule which accounts for all prior years of teaching
10 service and pertinent experience.

11 (2) The status of any retiree who is reemployed pursuant to the provisions of this
12 Section shall be the same as a full-time active employee and shall be governed by the
13 applicable rules, procedures, policies, and statutes that apply to all such full-time active
14 employees."