

HOUSE SUMMARY OF SENATE AMENDMENTS

HB 8

2020 Regular Session

Bourriaque

RETIREMENT/TEACHERS: Provides relative to the rehire of retired teachers in the Teachers' Retirement System of Louisiana

Synopsis of Senate Amendments

1. Deletes proposed law relative to an exemption for a substitute teacher.
2. Provides that retirees who have returned to active service with an employer covered by TRSL on or before June 30, 2020, and those members who were retired on or before June 30, 2010, shall be covered by the provisions of present law.
3. Provides that a retiree who returns to active service with an employer covered by TRSL on or after July 1, 2020, who has been retired twelve months or longer has two options:
 - (a) Have an earnings limitation of 25% of his final average compensation.
 - (b) Suspend his benefit and begin to accrue a supplemental benefit for the duration of service after retirement.
4. Provides that any retiree covered by present law may elect to be covered by the provisions of proposed law.

Digest of Bill as Finally Passed by Senate

Present law provides for the reemployment eligibility of retired members of TRSL. Proposed law retains present law for all retirees who have returned to active service with an employer covered by TRSL on or before June 30, 2020, and for those members who were retired on or before June 30, 2010.

Present law generally requires suspension of retirement benefits for a retiree who returns to work in a position covered by the system. Provides exceptions. Authorizes a retiree to return to work in certain positions and to continue to receive his benefit; however, the allowable employment earnings of such retiree are capped at 25% of his benefit amount; requires a reduction in the retirement benefit if the cap is exceeded.

Proposed law provides that any retiree who returns to active service with an employer covered by TRSL on or after July 1, 2020, shall choose one of the following options:

- (1) Return to work with an allowable employment earnings cap of 25% of his final average compensation with a reduction in the retirement benefit if the cap is exceeded.
- (2) Suspend his benefit, return to work with no employment earnings cap, and begin to accrue a supplemental benefit for the duration of service after reemployment.

Proposed law provides for a conversion from option 1 to option 2 once the allowable employment earnings cap of 25% has been met.

Proposed law provides that any retiree covered by present law may elect to be covered by the provisions of proposed law.

Present law requires a suspension of benefits during reemployment in a TRSL-covered position in the first 12 months following retirement. Proposed law retains present law.

Present law provides that no person who retires based on a disability shall be authorized to return to service pursuant to the provisions of present law. Proposed law retains present law.

Present law provides that any retired member who returns to active service with an employer covered by the provisions of present law shall have his benefit suspended for the duration of his period of reemployment if such reemployment is based on a contract or corporate contract. Present law further provides that the retiree and his employer shall not make contributions to the system during such time, and he shall receive no additional service credit and shall not accrue any additional retirement benefits. Proposed law retains present law.

Present law provides for reporting requirements. Proposed law retains present law.

(Adds R.S. 11:710(G) and 710.1)