
DIGEST

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HB 97 Reengrossed

2020 Second Extraordinary Session

Bacala

Abstract: Authorizes reemployment of retirees from the four state retirement systems, during a declared state of emergency, without suspension or reduction of retirement benefits.

Present law provides restrictions and limitations on the reemployment of a retiree from any of the four La. state retirement systems if such reemployment is covered by the same system as follows:

- (1) La. State Employees' Retirement System: Present law provides a reemployed retiree with three options: to have his retirement benefit reduced if his employment earnings exceed a specified amount, to return all received benefits and to become an active member of the retirement system, or to have his benefit suspended during such reemployment.
- (2) Teachers' Retirement System of La.: Present law provides a reemployed retiree with two options: to have his retirement benefit reduced if his employment earnings exceed a specified amount or to have his benefit suspended during such reemployment. Present law provides for other options and circumstances for a retiree who was reemployed prior to July 1, 2020.
- (3) La. School Employees' Retirement System: Present law prohibits reemployment of a retiree for five years after retirement.
- (4) La. State Police Retirement System: Present law provides for suspension of the retirement benefit if employment earnings exceed a specified amount.

Proposed law provides exceptions to present law for all four systems. Authorizes reemployment without any effect on retirement benefits if the following conditions apply to the reemployment:

- (1) The reemployment occurs during a state of emergency declared by the governor.
- (2) The employer certifies in writing to the retirement system that employment of the retiree is critical to the effectiveness of the employer's response to or operations during the emergency.
- (3) The date of the retiree's retirement is more than 30 days prior to the initial declaration of the state of emergency for which he is reemployed.
- (4) The retiree's retirement was not based on a disability.

Proposed law provides that the employee and employer make contributions to the retirement systems during such reemployment but service credit is not earned. Provides for refunding of the employee's contributions.

Proposed law provides that if on the first day of any regular session, a state of emergency has been in effect continuously for more than 365 days, proposed law ceases to be applicable to the reemployment of retirees pursuant to that state of emergency 60 days after final adjournment of that session.

Present law prohibits reemployment, by any department of state government, of a state retiree who retired under an early retirement incentive plan for two years after the effective date of his retirement. Proposed law provides an exception to present law if the reemployment occurs during a state of emergency and the employer certifies that employment of the retiree is critical to the employer's response to the emergency.

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

Effective upon signature of governor or lapse of time for gubernatorial action.

(Amends R.S. 11:149(B); Adds R.S. 11:416.2, 710.2, 1141.1, and 1311.1)

Summary of Amendments Adopted by House

The House Floor Amendments to the engrossed bill:

1. Make technical changes only.