

SENATE BILL NO. 24

BY SENATORS PRICE, ABRAHAM, BARROW, BERNARD, BOUDREAUX, BOUIE, CARTER, CLOUD, CORTEZ, FESI, FIELDS, HARRIS, HENRY, HENSGENS, JACKSON, JOHNS, MCMATH, MILLIGAN, FRED MILLS, ROBERT MILLS, MIZELL, MORRIS, PEACOCK, POPE, REESE, SMITH, WARD, WHITE AND WOMACK AND REPRESENTATIVES ADAMS, BACALA, FIRMENT, HARRIS, JEFFERSON AND TARVER

Prefiled pursuant to Article III, Section 2(A)(4)(b)(i) of the Constitution of Louisiana.

1
2
3
4
5
6
7
8
9
10
11
12
13
14

AN ACT

To enact R.S. 11:542.1.2, 883.3.1, 1145.4, and 1331.3, relative to the Louisiana State Employees' Retirement System, Teachers' Retirement System of Louisiana, Louisiana School Employees' Retirement System, and the State Police Retirement System; to provide relative to a permanent benefit increase, a cost-of-living adjustment or other supplemental payment for certain retirees; to provide with respect to a minimum benefit increase to certain retirees, their survivors, and their beneficiaries; to provide relative to the experience account; to provide with respect to calculation and for funding; to provide for qualifications; to provide an effective date; and to provide for related matters.

Notice of intention to introduce this Act has been published.

Be it enacted by the Legislature of Louisiana:

Section 1. R.S. 11:542.1.2, 883.3.1, 1145.4, and 1331.3 are hereby enacted to read as follows:

1 **§542.1.2. 2021 Minimum benefit increase; payment from experience account**

2 **A. A monthly minimum benefit increase shall be payable to:**

3 **(1) Each retiree of the system who, on June 30, 2021, meets all of the**
4 **following criteria:**

5 **(a) He has thirty or more years of service credit, exclusive of unused**
6 **leave.**

7 **(b) He has been retired for fifteen years or more.**

8 **(c) He receives a monthly retirement benefit of less than one thousand**
9 **four hundred fifty dollars.**

10 **(d) He is at least sixty years of age.**

11 **(e) He has neither participated in the Deferred Retirement Option Plan**
12 **pursuant to R.S. 11:447 nor chosen an Initial Benefit Option pursuant to R.S.**
13 **11:446(A)(5).**

14 **(2) Each nonretiree beneficiary receiving a benefit on June 30, 2021,**
15 **who, as of June 30, 2021, meets all of the following criteria:**

16 **(a) The deceased member had thirty or more years of service credit**
17 **exclusive of unused leave.**

18 **(b) The retiree and nonretiree beneficiary, or both combined, have**
19 **received a benefit for at least fifteen years.**

20 **(c) The nonretiree beneficiary receives a monthly retirement benefit of**
21 **less than one thousand four hundred fifty dollars.**

22 **(d) The deceased member would be at least sixty years of age had he**
23 **lived.**

24 **(e) The deceased member neither participated in the Deferred**
25 **Retirement Option Plan pursuant to R.S. 11:447 nor chose an Initial Benefit**
26 **Option pursuant to R.S. 11:446(A)(5).**

27 **(3) Any unmarried surviving spouse, any surviving minor child, or any**
28 **surviving totally physically handicapped or mentally disabled child of a**
29 **deceased member which survivor is receiving a monthly retirement benefit**
30 **pursuant to R.S. 11:471 of less than one thousand four hundred fifty dollars if,**

1 on June 30, 2021, all of the following apply to the deceased member:

2 (a) He had at least thirty years of service credit, exclusive of unused
3 leave.

4 (b) He has been deceased for fifteen years or more.

5 (c) He would have been at least age sixty.

6 (d) He had not participated in the Deferred Retirement Option Plan
7 pursuant to R.S. 11:447 and had not chosen an Initial Benefit Option pursuant
8 to R.S. 11:446(A)(5).

9 B. Each person to whom this Section applies, except as provided in
10 Subsection C of this Section, shall have his current monthly retirement benefit
11 amount increased by the lesser of:

12 (1) Three hundred dollars.

13 (2) The difference between one thousand four hundred fifty dollars and
14 his current monthly benefit amount.

15 C.(1) Notwithstanding Subsection B of this Section, if any nonretiree
16 beneficiary to whom this Section applies is receiving a monthly benefit amount
17 based upon an optional allowance pursuant to R.S. 11:446(A)(1) through (4),
18 which amount is less than that received by the retiree while alive, the amount
19 of the increase that would otherwise be payable pursuant to Subsection B of this
20 Section shall be prorated based upon the option selected.

21 (2) Notwithstanding Subsection B of this Section, if a survivor to whom
22 Paragraph (A)(3) of this Section applies is the sole survivor receiving a benefit
23 pursuant to R.S. 11:471, he shall have his current monthly retirement benefit
24 increased by the lesser of three hundred dollars or the difference between one
25 thousand four hundred fifty dollars and his current monthly benefit amount.
26 If there are multiple survivors to whom Paragraph (A)(3) of this Section
27 applies, such survivors shall share equally a monthly benefit increase of three
28 hundred dollars.

29 D. The provisions of this Section shall not apply to any retiree,
30 nonretiree beneficiary, or survivor receiving a benefit pursuant to a reciprocal

1 agreement recognized by the system.

2 E. The actuarial cost of implementing the provisions of this Section shall
3 be paid from the employee experience account.

4 F. The increase provided pursuant to this Section shall begin on July 1,
5 2021.

6 * * *

7 §883.3.1. 2021 Minimum benefit increase; payment from experience account

8 A. A monthly minimum benefit increase shall be payable to:

9 (1) Each retiree of the system who, on June 30, 2021, meets all of the
10 following criteria:

11 (a) He has thirty or more years of service credit, exclusive of unused
12 leave.

13 (b) He has been retired for fifteen years or more.

14 (c) He receives a monthly retirement benefit of less than one thousand
15 four hundred fifty dollars.

16 (d) He is at least sixty years of age.

17 (e) He has neither participated in the Deferred Retirement Option Plan
18 pursuant to R.S. 11:786 nor chosen an Initial Lump Sum Benefit pursuant to
19 R.S. 11:783(A)(3).

20 (2) Each nonretiree beneficiary receiving a benefit on June 30, 2021,
21 who, as of June 30, 2021, meets all of the following criteria:

22 (a) The deceased member had thirty or more years of service credit
23 exclusive of unused leave.

24 (b) The retiree and nonretiree beneficiary, or both combined, have
25 received a benefit for at least fifteen years.

26 (c) The nonretiree beneficiary receives a monthly retirement benefit of
27 less than one thousand four hundred fifty dollars.

28 (d) The deceased member would be at least sixty years of age had he
29 lived.

30 (e) The deceased member neither participated in the Deferred

1 Retirement Option Plan pursuant to R.S. 11:786 nor chose an Initial Lump Sum
2 Benefit pursuant to R.S. 11:783(A)(3).

3 (3) Any unmarried surviving spouse or any surviving minor child as that
4 term is defined in R.S. 11:701, of a deceased member which survivor is receiving
5 a monthly retirement benefit pursuant to R.S. 11:762 of less than one thousand
6 four hundred fifty dollars if, on June 30, 2021, all of the following apply to the
7 deceased member:

8 (a) He had thirty years of service credit, exclusive of unused leave.

9 (b) He has been deceased for fifteen years or more.

10 (c) He would have been at least age sixty.

11 (d) He had not participated in the Deferred Retirement Option Plan
12 pursuant to R.S. 11:786 and had not chosen an Initial Lump Sum Benefit
13 pursuant to R.S. 11:783(A)(3).

14 B. Each person to whom this Section applies, except as provided in
15 Subsection C of this Section, shall have his current monthly retirement benefit
16 increased by the lesser of:

17 (1) Three hundred dollars.

18 (2) The difference between one thousand four hundred fifty dollars and
19 his current monthly benefit.

20 C.(1) Notwithstanding Subsection B of this Section, if any nonretiree
21 beneficiary to whom this Section applies is receiving a monthly benefit amount
22 based upon an optional allowance pursuant to R.S. 11:783(A)(2), which amount
23 is less than that received by the retiree while alive, the amount of the monthly
24 benefit increase that would otherwise be payable pursuant to Subsection B of
25 this Section shall be prorated based upon the option selected.

26 (2) Notwithstanding Subsection B of this Section, if a survivor to whom
27 Paragraph (A)(3) of this Section applies is the sole survivor receiving a benefit
28 pursuant to R.S. 11:762, he shall have his current monthly retirement benefit
29 increased by the lesser of three hundred dollars or the difference between one
30 thousand four hundred fifty dollars and his current monthly benefit amount.

1 In the event there are multiple survivors to whom Paragraph (A)(3) of this
 2 Section applies, such survivors shall share equally a monthly benefit increase
 3 of three hundred dollars.

4 D. The provisions of this Section shall not apply to any retiree,
 5 nonretiree beneficiary, or survivor receiving a benefit pursuant to a reciprocal
 6 agreement recognized by the system.

7 E. The actuarial cost of implementing the provisions of this Section shall
 8 be paid from the employee experience account.

9 F. The increase provided pursuant to this Section shall begin on July 1,
 10 2021.

11 * * *

12 §1145.4. 2021 Minimum benefit increase; payment from experience account

13 A. A monthly minimum benefit increase shall be payable to:

14 (1) Each retiree of the system who, on June 30, 2021, meets all of the
 15 following criteria:

16 (a) He has thirty or more years of service credit, exclusive of unused
 17 leave.

18 (b) He has been retired for fifteen years or more.

19 (c) He receives a monthly retirement benefit of less than one thousand
 20 four hundred fifty dollars.

21 (d) He is at least sixty years of age.

22 (e) He has neither participated in the Deferred Retirement Option Plan
 23 pursuant to R.S. 11:1152 nor chosen an Initial Benefit Retirement Plan
 24 pursuant to R.S. 11:1152.1.

25 (2) Each nonretiree beneficiary receiving a benefit on June 30, 2021,
 26 who, as of June 30, 2021, meets all of the following criteria:

27 (a) The deceased member had thirty or more years of service credit
 28 exclusive of unused leave.

29 (b) The retiree and nonretiree beneficiary, or both combined, have
 30 received a benefit for at least fifteen years.

1 (c) The nonretiree beneficiary receives a monthly retirement benefit of
2 less than one thousand four hundred fifty dollars.

3 (d) The deceased member would be at least sixty years of age had he
4 lived.

5 (e) The deceased member neither participated in the Deferred
6 Retirement Option Plan pursuant to R.S. 11:1152 nor chose an Initial Benefit
7 Retirement Plan pursuant to R.S. 11:1152.1.

8 (3) Any unmarried surviving spouse, any surviving minor child, or any
9 surviving totally physically handicapped or mentally disabled child of a
10 deceased member which survivor is receiving a monthly retirement benefit
11 pursuant to R.S. 11:1151 of less than one thousand four hundred fifty dollars
12 if, on June 30, 2021, all of the following apply to the deceased member:

13 (a) He had at least thirty years of service credit, exclusive of unused
14 leave.

15 (b) He has been deceased for fifteen years or more.

16 (c) He would have been at least age sixty.

17 (d) He had not participated in the Deferred Retirement Option Plan
18 pursuant to R.S. 11:1152 and had not chosen an Initial Benefit Retirement Plan
19 pursuant to R.S. 11:1152.1.

20 B. Each person to whom this Section applies, except as provided in
21 Subsection C of this Section, shall have his current monthly retirement benefit
22 amount increased by the lesser of:

23 (1) Three hundred dollars.

24 (2) The difference between one thousand four hundred fifty dollars and
25 his current monthly benefit amount.

26 C.(1) Notwithstanding Subsection B of this Section, if any nonretiree
27 beneficiary to whom this Section applies is receiving a monthly benefit amount
28 based upon an optional allowance pursuant to R.S. 11:1150 which is less than
29 that received by the retiree while alive, the amount of the increase that would
30 otherwise be payable pursuant to Subsection B of this Section shall be prorated

1 based upon the option selected.

2 (2) Notwithstanding Subsection B of this Section, if a survivor to whom
 3 Paragraph (A)(3) of this Section applies is the sole survivor receiving a benefit
 4 pursuant to R.S. 11:1151, he shall have his current monthly retirement benefit
 5 increased by the lesser of three hundred dollars or the difference between one
 6 thousand four hundred fifty dollars and his current monthly benefit amount.
 7 If there are multiple survivors to whom Paragraph (A)(3) of this Section
 8 applies, such survivors shall share equally a monthly benefit increase of three
 9 hundred dollars.

10 D. The provisions of this Section shall not apply to any retiree,
 11 nonretiree beneficiary, or survivor receiving a benefit pursuant to a reciprocal
 12 agreement recognized by the system.

13 E. The actuarial cost of implementing the provisions of this Section shall
 14 be paid from the employee experience account.

15 F. The increase provided pursuant to this Section shall begin on July 1,
 16 2021.

17 * * *

18 §1331.3. 2021 Nonrecurring benefit payment; payment from experience
 19 account

20 A. A nonrecurring lump sum shall be payable to:

21 (1) Each retiree of the system, other than a disability retiree, who meets
 22 all of the following criteria:

23 (a) The retiree, or the retiree and an alternate payee both combined,
 24 receives a monthly benefit of two thousand five hundred dollars or less.

25 (b) The retiree has attained at least age sixty by June 30, 2021.

26 (c) The retiree has received a benefit for at least one year by June 30,
 27 2021.

28 (d) The retiree has neither participated in the Deferred Retirement
 29 Option Plan pursuant to R.S. 11:1307 and R.S. 11:1307.1, Back-Deferred
 30 Retirement Option Plan pursuant to R.S. 11:1312.1, nor Initial Benefit Option.

1 (e) The retiree was hired prior to September 8, 1978, and retired with
 2 twenty or more creditable years of service pursuant to the provisions of R.S.
 3 11:1307(A)(2)(a), or was hired on or after September 8, 1978, and retired with
 4 twenty-five or more creditable years of service pursuant to the provisions of
 5 R.S. 11:1307(A)(2)(b).

6 (2) Each nonretiree beneficiary receiving a benefit who meets all of the
 7 following criteria:

8 (a) The nonretiree beneficiary's benefit is not based upon the death of a
 9 disability retiree.

10 (b) The benefits had been paid to the retiree or the beneficiary, or both
 11 combined for at least one year as of June 30, 2021.

12 (c) The retiree would have attained age sixty by June 30, 2021.

13 (d) The retiree for whose benefit the nonretiree is a beneficiary,
 14 otherwise meets the criteria set forth in Paragraph (A)(1) of this Section.

15 (3) Any person who receives a survivor benefit from the system based
 16 upon a member's death in the line of duty as of June 30, 2021.

17 (4) Any disability retiree, or a person who receives benefits from the
 18 system based on the death of a disability retiree, as of June 30, 2021.

19 B. Any benefit increase paid pursuant to the provisions of this Section
 20 shall be paid from the funds in the system experience account.

21 C. Each person to whom this Section applies shall receive a
 22 nonrecurring lump sum payment, payable August 31, 2021, that is the lesser of:

23 (1) Three dollars for each month of creditable service plus two dollars
 24 for each month of retirement up through June 30, 2021.

25 (2) The member's current monthly benefit.

26 D. The actuarial cost of implementing the provisions of this Section shall
 27 be paid from the employee experience account.

28 Section 2. The cost of this Act shall be funded with monies from the respective
 29 system's experience account. Any additional cost of this Act shall be funded with additional
 30 employer contributions in compliance with Article X, Section 29(F) of the Louisiana

1 Constitution.

2 Section 3. This Act shall become effective upon signature by the governor or on

3 June 30, 2021, whichever is earlier.

PRESIDENT OF THE SENATE

SPEAKER OF THE HOUSE OF REPRESENTATIVES

GOVERNOR OF THE STATE OF LOUISIANA

APPROVED: _____