
The original instrument and the following digest, which constitutes no part of the legislative instrument, were prepared by LG Sullivan.

SB 10 Engrossed

DIGEST
2022 Regular Session

Morris

Present law allows certain employees of public colleges and universities, who would otherwise become members of the Teachers' Retirement System of La. (Teachers') as a condition of employment, to make an irrevocable election to participate in the optional retirement plan (ORP) instead. Provides two opportunities for a person to join the ORP: at first employment covered by the system or at any time before the person accrues five years of service credit in the regular defined benefit retirement plan.

Proposed law retains present law.

Present law provides that the election to join the ORP in lieu of membership in the regular plan is irrevocable, regardless of when the choice is made.

Present law (R.S. 11:143) generally provides for transfers between La. public retirement or pension systems, plans, and funds.

Proposed law allows an ORP participant to transfer into the Teachers' regular retirement plan. Provides for this transfer to be on an actuarial basis pursuant to present law transfer statutes.

Proposed law specifies that benefit calculation and retirement eligibility after a transfer pursuant to proposed law shall be determined based on the date of the person's first employment making him eligible for state system membership.

Proposed law provides that proposed law terminates on June 30, 2028.

Effective June 15, 2022.

(Adds R.S. 11:926.1)

Summary of Amendments Adopted by Senate

Committee Amendments Proposed by Senate Committee on Retirement to the original bill

1. Specify that proposed law applies only to an ORP participant employed on May 1, 2022.
2. Require an ORP participant to submit an application and a fee to cover the actuary's calculation of the purchase price of the service credit.

3. Specify that the transfer of money from the ORP account to the Teachers' trust fund is a trustee-to-trustee transfer to a qualified plan.