

2022 Regular Session

HOUSE BILL NO. 17

BY REPRESENTATIVE DEVILLIER

RETIREMENT/SCHOOL EMPS: Provides for a benefit increase for the Louisiana School Employees' Retirement System

1 AN ACT

2 To enact R.S. 11:1145.5, relative to the Louisiana School Employees' Retirement System;
3 to provide for a benefit increase; to provide for eligibility and funding; to provide for
4 payment and timing of the benefit increase; and to provide for related matters.

5 Notice of intention to introduce this Act has been published
6 as provided by Article III, Section 13 of the Constitution of
7 Louisiana.

8 Be it enacted by the Legislature of Louisiana:

9 Section 1. R.S. 11:1145.5 is hereby enacted to read as follows:

10 §1145.5. Permanent benefit increase; payable beginning July 1, 2022

11 A. Notwithstanding any provision of R.S. 11:1145.1, the board of trustees of
12 the Louisiana School Employees' Retirement System may pay a permanent benefit
13 increase, payable beginning July 1, 2022, to the following retirees and beneficiaries:

14 (1) Any retiree, other than a disability retiree, who has attained at least age
15 sixty and who has received a benefit for at least one year.

16 (2) Any nonretiree beneficiary whose receipt of benefits is not based on the
17 death of a disability retiree, if benefits had been paid to the retiree or the beneficiary,
18 or both combined, for at least one year and if the retiree would have attained age
19 sixty.

1 (3) Any disability retiree or a person who receives benefits from the system
2 based on the death of a disability retiree, if benefits have been paid to the retiree or
3 the beneficiary, or both combined, for at least one year.

4 B. Any benefit increase paid pursuant of this Section shall be paid from the
5 funds in the system's experience account.

6 C. The amount of the increase authorized by this Section shall be an amount
7 determined by the system's actuary that is supported by the funds in the experience
8 account up to the maximum payment of one and one-half percent of the benefit
9 amount. The funds in the account shall be sufficient to fund such benefit fully on an
10 actuarial basis. If the legislative auditor's actuary disagrees with the determination
11 of the system's actuary, a cost-of-living adjustment shall not be granted.

12 D. Except as provided in this Section, the benefit adjustment shall be granted
13 in accordance with R.S. 11:1145.1.

14 Section 2. The cost of this Act shall be funded with monies from the Louisiana
15 School Employees' Retirement System's experience account. Any additional cost of this Act
16 shall be funded with additional employer contributions in compliance with Article X,
17 Section 29(F) of the Constitution of Louisiana.

18 Section 3. This Act shall become effective upon signature by the governor or, if not
19 signed by the governor, upon expiration of the time for bills to become law without signature
20 by the governor, as provided by Article III, Section 18 of the Constitution of Louisiana. If
21 vetoed by the governor and subsequently approved by the legislature, this Act shall become
22 effective on the day following such approval.

DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

HB 17 Engrossed

2022 Regular Session

DeVillier

Abstract: Grants a permanent benefit increase (PBI) for retirees of the La. School Employees' Retirement System (LSERS).

Proposed law grants a PBI to retirees and beneficiaries of LSERS payable beginning July 1, 2022.

Proposed law provides that the PBI is to be granted to the following:

- 1) Any retiree who has received a benefit for at least one year and who has attained the age of 60.
- 2) Any nonretiree beneficiary who has received a benefit for at least one year (aggregated with any time the deceased member may have received a benefit) if the deceased member would have attained age 60.
- 3) Any disability retiree or any beneficiary who receives benefits based on the death of a disability retiree if benefits have been received for at least one year.

Proposed law provides funds for the PBI will come from LSERS's experience account.

Proposed law provides that the increase authorized is to be an amount authorized by the system's actuary and supported by the funds in the system's experience account up to 1.5%.

Proposed law provides if the legislative auditor's actuary disagrees with the system's actuary in determining whether the balance in the experience account is sufficient to pay the PBI, the PBI will not be granted.

Proposed law requires that any cost of proposed law be funded with monies from the LSERS experience account and any additional cost 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.

(Adds R.S. 11:1145.5)