

2022 Regular Session

SENATE BILL NO. 5

BY SENATOR PRICE AND REPRESENTATIVE LARVADAIN

STATE EMPLOYEE RET. Grants a nonrecurring lump-sum supplemental payment to certain eligible retirees and beneficiaries. (2/3 - CA10s29(F)) (gov sig)

1 AN ACT

2 To enact R.S. 11:542.3, relative to the Louisiana State Employees' Retirement System; to
3 provide with respect to a nonrecurring lump-sum supplemental payment to certain
4 retirees and beneficiaries; to provide relative to eligibility for and calculation of such
5 payment; to provide for an effective date; and to provide for related matters.

6 Notice of intention to introduce this Act has been published.

7 Be it enacted by the Legislature of Louisiana:

8 Section 1. R.S. 11:542.3 is hereby enacted to read as follows:

9 **§542.3. Nonrecurring lump-sum supplemental payment for 2022; payment**
10 **from experience account**

11 **A. A nonrecurring lump-sum supplemental payment shall be payable to**
12 **the following retirees and beneficiaries:**

13 **(1) Any retiree, other than a disability retiree, who has attained at least**
14 **age sixty and who has received a benefit for at least one year on June 30, 2022.**

15 **(2) Any nonretiree beneficiary, if benefits have been paid to the retiree**
16 **who was not a disability retiree or the beneficiary or both combined for at least**
17 **one year and if the decedent would have attained at least age sixty on**

1 June 30, 2022.

2 (3) Any disability retiree or beneficiary who receives benefits based on
3 the death of a disability retiree, if benefits have been paid to the retiree or the
4 beneficiary or both combined for at least one year on June 30, 2022.

5 B. The nonrecurring lump-sum supplemental payment paid pursuant to
6 the provisions of this Section shall be paid from funds in the system experience
7 account and is payable not later than September 15, 2022.

8 C. Each retiree or beneficiary to whom this Section applies shall receive
9 a nonrecurring lump-sum supplemental payment in an amount that is equal to
10 the lesser of:

11 (1) The retiree or beneficiary's current monthly benefit.

12 (2) Three thousand dollars.

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

16 Section 3. The Louisiana State Law Institute is hereby directed to change all
17 references to retirement benefit increases or other payments funded by the experience
18 account of the Louisiana State Employees' Retirement System, R.S. 11:542, from
19 "permanent benefit increases" to "cost-of-living adjustments" throughout Title 11 of the
20 Louisiana Revised Statutes of 1950.

21 Section 4. This Act shall become effective upon signature by the governor or, if not
22 signed by the governor, upon expiration of the time for bills to become law without signature
23 by the governor, as provided by Article III, Section 18 of the Constitution of Louisiana. If
24 vetoed by the governor and subsequently approved by the legislature, this Act shall become
25 effective on the day following such approval.

The original instrument was prepared by Angela Lockett-De Jean. The following digest, which does not constitute a part of the legislative instrument, was prepared by LG Sullivan.

DIGEST

SB 5 Reengrossed 2022 Regular Session Price

Proposed law grants a nonrecurring lump-sum supplemental payment to the following retirees and beneficiaries:

- (1) Any retiree, other than a disability retiree, who has attained at least age 60 and who has received a benefit for at least one year on 6/30/22.
- (2) Any nonretiree beneficiary, if benefits had been paid to the retiree who was not a disability retiree or the beneficiary or both combined for at least one year and if the deceased person would have attained age 60 on 6/30/22.
- (3) Any disability retiree or a person who receives benefits from the system based on the death of a disability retiree, if benefits have been paid to the retiree or the beneficiary or both combined for at least one year on 6/30/22.

Proposed law provides that the supplemental payment paid pursuant to the provisions of proposed law shall be paid from funds in the system experience account.

Proposed law provides that the supplemental payment is payable not later than 9/15/22.

Proposed law provides that each retiree or beneficiary to whom proposed law applies shall receive a nonrecurring lump-sum supplemental payment in an amount that is equal to the lesser of:

- (1) The retiree or beneficiary's current monthly benefit.
- (2) \$3,000.00.

Proposed law directs the law institute to change references in LASERS' statutes from permanent benefit increases to cost-of-living adjustments.

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

(Adds R.S. 11:542.3)

Summary of Amendments Adopted by Senate

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

1. Direct the law institute to change references in LASERS' statutes from permanent benefit increases to cost-of-living increases.

Committee Amendments Proposed by Senate Committee on Finance to the engrossed bill

1. Make technical changes.