

GREEN SHEET REDIGEST

HB 1021

2022 Regular Session

McFarland

RETIREMENT/TEACHERS: Provides for the reemployment of retirees of the Teachers' Retirement System of Louisiana in a critical shortage position

DIGEST

Present law governs the payment of benefits to retirees of the Teachers' Retirement System of Louisiana (TRSL or Teachers') including retirees who return to work in positions covered by the retirement system. Present law generally requires payment of a retiree's benefit to be suspended for the duration of reemployment with some exceptions. Requires suspension of benefit without exception for any reemployment within the first 12 months of retirement. Requires payment of employer and employee contributions during reemployment. Provides for refund of employee contributions without interest after the reemployment ends.

Proposed law retains present law.

One present law exception (commonly referred to as "critical shortage") allows the receipt of retirement benefits without suspension for the duration of reemployment if all of the following apply to the retiree:

- (1) He retired on or before June 30, 2010, or retired after that date and returned to a TRSL-covered position on or before June 30, 2020.
- (2) He is employed to fill a position certified as a critical shortage position as defined in present law.
- (3) He is certified to teach in the critical shortage area.

Present law, applicable to anyone who retired after June 30, 2010, and who first returned to work in a TRSL-covered position after June 30, 2020, does not contain a critical shortage provision.

Present critical shortage law requires the employer to meet certain advertising and posting requirements before certifying the existence of a critical shortage, allowing for the retiree to receive benefits without suspension during reemployment. Requires the employer to advertise in the locality's official journal and to post notice at each post-secondary institution within a 120-mile radius of the employer's governing authority.

Proposed law generally retains present law. Proposed law additionally:

- (1) Allows anyone who retired before July 1, 2020, to be rehired without benefit suspension under present critical shortage law.
- (2) Allows the employer to declare a critical shortage exists by (a) soliciting applications for future employment of certified teachers by posting notice each semester at the specified post-secondary institutions and advertising monthly in the official journal and (b) prominently displaying a list of positions that are unfilled or that are filled by reemployed retirees on specified websites.
- (3) Until July 1, 2027, allows a retiree certified in math, science, English language arts, or special ed excluding gifted and talented to be hired without benefit suspension to fill a position in the certified area without the employer certifying the existence of a critical shortage. Requires these positions to be in the list on the website under proposed law. Requires that, if a certified teacher applies to fill a position held by a retiree employed under proposed law, the certified teacher will replace the retiree at the beginning of the next grading period.

- (4) Until July 1, 2027, allows a retiree with at least 30 years of service credit who is at least age 62 to be hired without benefit suspension to fill a vacancy created by extended leave without the employer certifying the existence of a critical shortage. Requires these positions to be in the list on the website under proposed law.

Until July 1, 2027, proposed law allows a retiree to be hired without benefit suspension to fill a position for an adjunct professor to teach in a nursing program at a public postsecondary education institution where a critical shortage exists, if the retiree and the institution satisfy certain criteria. Requires the retiree to meet all of the following:

- (1) He retired on or before June 30, 2020.
- (2) He has been retired for at least 12 months.
- (3) He did not retire based on a disability.
- (4) He has at least 30 years of creditable service in the retirement system.
- (5) He has attained at least age 62.

Proposed law requires the institution to post a listing of positions that are unfilled or that are filled by reemployed retirees on the websites of the institution, of the institution's management board, and of the Board of Regents in order to declare the existence of a critical shortage.

Present law requires the employer of a retiree to satisfy certain notice and reporting requirements. Provides that if failure to provide any required notice or report causes the retirement system to pay a benefit that is not due, the employer is liable to the system for repayment.

Proposed law retains present law and applies the notice, reporting, and liability provisions to any institution employing a retiree under proposed law.

Proposed law specifies that proposed law shall not apply to anyone reemployed by contract or corporate contract.

Proposed law requires the Dept. of Education (DOE) to determine whether non-Teachers' public schools are having critical shortage issues, to find the reasons for the shortages and for any disparity if those non-Teachers' schools are not having shortages, and to propose policy changes that will reduce or eliminate the shortages without reemployment of retirees. Requires a report of findings and proposals by Jan. 20, 2023.

Provisions of proposed law related to reemployment of TRSL retirees effective when Senate Bill No. 377 is effective.

Provisions requiring a report from the DOE effective upon signature of the governor or lapse of time for gubernatorial action.

(Amends R.S. 11:710(A)(3), (F)(1), and (G) and 710.1(A)(intro para); adds R.S. 11:710(H), 710.1(F), and 710.2)

Summary of Amendments Adopted by House

The House Floor Amendments to the engrossed bill:

1. Remove provisions that authorized a retiree who retired prior to July 1, 2020, to return to active service in a critical shortage position without a reduction in retirement benefits regardless of when he returned to active service and remove proposed law relative to the procedure for establishing a critical shortage.
2. Add all proposed law changes to present law described in the above digest.

Summary of Amendments Adopted by Senate

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

1. Make proposed law advertising and posting requirements permanent.
2. Retain present law requirement that a retiree employed without benefit suspension due to a critical shortage must be certified in the critical shortage area.
3. Change sunset date for temporary proposed law provisions from 2025 to 2027.
4. Until July 1, 2027, allow retirees certified in certain subjects to be reemployed in the area of certification without benefit suspension without the employer certifying the existence of a critical shortage.
5. Until July 1, 2027, allow a retiree with 30 years of service credit who is at least age 62 to be reemployed without benefit suspension to fill certain positions vacant due to long-term leave without the employer certifying the existence of a critical shortage.
6. Specify that the policy changes in the DOE report for addressing teacher shortages are to be without reemployment of retirees.
7. Provide for effectiveness.