
The original instrument and the following digest, which constitutes no part of the legislative instrument, were prepared by Lauren B. Bailey.

DIGEST

Present law (R.S. 11:416) allows a retiree of the Louisiana State Employees' Retirement System (LASERS) to be reemployed in a LASERS-covered position. Provides various "options" for how the retiree's benefit is affected by the reemployment, from which the retiree must make an irrevocable choice at the time he becomes reemployed. Present law Option 3 allows the reemployed retiree to earn a supplemental benefit.

Proposed law retains present law.

Present law provides that no change in the mode of payment originally selected by the person pursuant to present law (R.S. 11:446) is permitted except in the case of correction of an administrative error.

Present law (R.S. 11:446) generally provides for various modes of payment of retirement benefits from which a LASERS member may choose when he applies for retirement. Generally, a member may elect to receive the "maximum" benefit payable throughout his life, or he may choose the actuarial equivalent of his maximum benefit in a reduced allowance payable throughout his life, with a named beneficiary to receive some amount after the retiree's death. Present law provides various "options" to the member for choosing an allowance amount to be paid to a beneficiary upon his death. Generally, no change in the option or the designated beneficiary may be made once the application for retirement has been filed.

Proposed law allows a reemployed LASERS retiree who previously named a former spouse as beneficiary upon retiring initially to designate his current spouse as beneficiary for the purposes of any supplemental benefits that accrued after his reemployment, but only to the extent that such supplemental benefit did not accrue during his marriage to his previous spouse. Proposed law requires such person to select the form of allowance pursuant to present law for the purposes of such supplemental benefit.

Proposed law provides that no change in beneficiary pursuant to proposed law shall create additional liability for the system. Requires the system to make any adjustments to payments paid or payable in accordance with the option selected by the retiree actuarially necessitated by a change in beneficiary. Such changes may include reduction or suspension of monthly payments to the retiree or to his named beneficiary.

Proposed law provides that a retiree who designates his current spouse pursuant to proposed law shall hold harmless and indemnify the system from any and all liability, loss, or damage the system may sustain as a result of his actions.

Proposed law requires that any cost of proposed law not funded by actuarial adjustments to the

benefits paid shall be funded with additional employer contributions in compliance with Art. X, §29(F) of the state constitution.

Effective July 1, 2011.

(Amends R.S. 11:416(A)(3)(a); adds R.S. 11:446(H), (I), and (J))