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

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## DIGEST

Present law does not provide for a mechanism for an employer to withdraw some or all of its employees from the Teachers' Retirement System of Louisiana (TRSL).

Proposed law relative to TRSL provides that if an employing agency is authorized by law to terminate its participation in the retirement system and terminates its participation for some or all of its employees, such employing agency shall remit to the retirement system its share of any unfunded accrued liability (UAL) of the retirement system existing on the June 30<sup>th</sup> immediately prior to the date of the employing agency's termination.

Proposed law provides that the amounts due shall be determined by the actuary employed by the system and shall be paid in a lump sum or amortized over ten years or less in equal monthly payments with interest either at the retirement system's actuarial valuation rate, at the option of the employer. Provides that the calculation shall account for any legacy costs attributable to the employing agency's retirees.

Proposed law provides that should an employing agency fail to make payment the amount due shall be collected in the same manner as authorized by present law (R.S. 11:886 and 887).

Effective June 30, 2011.

(Adds R.S. 11:887.1)