Regular Session, 2013

HOUSE BILL NO. 35

BY REPRESENTATIVE BARROW

Prefiled pursuant to Article III, Section 2(A)(4)(b)(i) of the Constitution of Louisiana.

RETIREMENT/STATE EMPS: Provides for retirement eligibility of employees of state hospitals under certain conditions

1	AN ACT
2	To enact R.S. 11:441(H) and 761(C), relative to retirement eligibility for certain members
3	of the Louisiana State Employees' Retirement System and the Teachers' Retirement
4	System of Louisiana; to provide relative to notification to the systems upon the
5	occurrence of certain circumstances; to provide requirements; to provide restrictions;
6	and to provide for related matters.
7	Notice of intention to introduce this Act has been published
8	as provided by Article X, Section 29(C) of the Constitution
9	of Louisiana.
10	Be it enacted by the Legislature of Louisiana:
11	Section 1. R.S. 11:441(H) and 761(C) are hereby enacted to read as follows:
12	§441. Eligibility for retirement
13	* * *
14	H. Notwithstanding any provision of this Section to the contrary, any
15	member who is employed by a state hospital operated by the Board of Supervisors
16	of the Louisiana State University and Agricultural and Mechanical College as part
17	of a Louisiana State University Health Sciences Center as provided in R.S. 17:1519.2
18	and who has twenty-five years or more of service shall be eligible for regular
19	retirement regardless of age and without an actuarial reduction if the State Civil

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1	Service Commission or the director of the state civil service approves a layoff plan
2	or layoff avoidance plan affecting the member's employer hospital.
3	* * *
4	§761. Retirement benefits; application; eligibility requirements; effective date;
5	cancellation; errors and omissions
6	* * *
7	C. Notwithstanding any provision of this Section to the contrary, any
8	member who is employed by a state hospital operated by the Board of Supervisors
9	of the Louisiana State University and Agricultural and Mechanical College as part
10	of a Louisiana State University Health Sciences Center as provided in R.S. 17:1519.2
11	and who has twenty-five years or more of service shall be eligible for regular
12	retirement regardless of age and without actuarial reduction if the State Civil Service
13	Commission or the director of the state civil service approves a layoff plan or layoff
14	avoidance plan affecting the member's employer hospital.
15	Section 2. The director of the state civil service shall notify the directors of the
16	Louisiana State Employees' Retirement System and the Teachers' Retirement System of
17	Louisiana immediately upon receipt of a layoff plan or layoff avoidance plan affecting any
18	state hospital operated by the Board of Supervisors of the Louisiana State University and
19	Agricultural and Mechanical College as part of a Louisiana State University Health Sciences
20	Center as provided in R.S. 17:1519.2. The director of the state civil service shall further
21	notify the directors of the Louisiana State Employees' Retirement System and the Teachers'
22	Retirement System of Louisiana upon approval of each such layoff plan or layoff avoidance
23	within one calendar day of approval.
24	Section 3. The provisions of R.S. 11:441(H) and 761(C) as contained in this Act
25	shall be null and of no effect three years after the date on which they become effective.
26	Section 4. The provisions of this Act shall become effective June 7, 2013; if vetoed
27	by the governor and subsequently approved by the legislature, this Act shall become
28	effective on June 7, 2013, or on the day following such approval by the legislature,
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29 whichever is later.

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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)]

Barrow

HB No. 35

Abstract: Provides for retirement eligibility at 25 years of service, regardless of age and without actuarial reduction, for certain members of the La. State Employees' Retirement System (LASERS) and the Teachers' Retirement System of La. (TRSL) upon certain conditions being met.

<u>Present law</u> creates the LASERS and TRSL systems. Provides for the calculation of benefits based on eligibility criteria provided in <u>present law</u>. <u>Proposed law</u> generally retains <u>present law</u> for most members. <u>Proposed law</u> establishes a new retirement eligiblity for certain members who work in state hospitals.

<u>Present law</u> (R.S. 11:143) provides a mechanism for a member to transfer earned service credit from a former public retirement system into his current public retirement system. <u>Present law</u> allows a member to consolidate all his service credit into one system. <u>Proposed law</u> retains <u>present law</u>.

Generally, <u>present law</u> for LASERS provides the following retirement eligibilities for members:

- (1) Members hired on or before June 30, 2006:
 - (a) 30 years or more of service, at any age.
 - (b) 25 years or more of service, at age 55.
 - (c) 10 years of more of service, at age 60 or older.
 - (d) 20 years of service, at any age, but actuarially reduced from age 55.
- (2) Members hired on or after July 1, 2006, who are not in the Hazardous Duty Services Plan:
 - (a) Five years or more of service, at age 60.
 - (b) 20 years of service, at any age, but actuarially reduced from age 60.
- (3) Members hired on or after Jan. 1, 2011, who are in the Hazardous Duty Service Plan and members who transferred into such plan:
 - (a) 25 years or more of service, at any age.
 - (b) 12 years or more of service, at age 55.
 - (c) 20 years of service, at any age, but actuarially reduced from age 55.

Proposed law retains present law for members of the Hazardous Duty Services Plan.

<u>Proposed law</u> adds a provision for members of LASERS who are employed by a state hospital, who have 25 years or more of service or more, and whose jobs are affected by a layoff plan or a layoff avoidance plan filed with the State Civil Service Commission. Upon

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approval of such a plan, these members are eligible for retirement, regardless of age, and would not have their benefit actuarially reduced.

Generally, present law for TRSL provides the following retirement eligibilities for members:

(1) Members hired prior to July 1, 1999:

- (a) Five years of service or more, at age 60.
- (b) 20 years of service, regardless of age.
- (2) Members hired on or after July 1, 1999, but before Jan. 1, 2011:
 - (a) Five years of service or more, at age 60.
 - (b) 25 years of service or more, at age 55.
 - (c) 30 years of service, at any age.
- (3) Members first hired on or after Jan. 1, 2011:
 - (a) Five years of service or more, at age 60.
 - (b) 20 years of service, at any age, actuarially reduced from age 60.

<u>Proposed law</u> retains <u>present law</u> for most members.

<u>Proposed law</u> adds a provision for members of TRSLwho are employed by a state hospital, who have 25 years or more of service, and whose jobs are affected by a layoff plan or layoff avoidance plan filed with the State Civil Service Commission. Upon approval of such a plan, these members are eligible for retirement, regardless of age, and would not have their benefit actuarially reduced.

<u>Proposed law</u> further requires the director of the state civil service to notify the directors of the LASERS and TRSL systems when he receives a layoff plan or a layoff avoidance plan affecting a state hospital. Additionally requires the director of the state civil service to notify the directors of LASERS and TRSL of the approval of such a layoff plan or layoff avoidance plan, within one calendar day of approval.

<u>Proposed law</u> provides that the provisions of <u>proposed law</u> shall become null and of no effect three years after the date they become effective.

Effective June 7, 2013.

(Adds R.S. 11:441(H) and 761(C))