
DIGEST

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Johnson

HB No. 65

Abstract: Provides for the calculation of the retiree's portion of health insurance premiums for certain Hazardous Duty Services Plan retirees in the same manner as other state retirees.

Present law (R.S. 11:611 et seq) establishes the Hazardous Duty Services Plan (hereafter Haz Duty Plan) within the La. State Employees' Retirement System (LASERS). This plan is mandatory for new hires after Jan. 1, 2011, and optional for employees who would have been eligible to be in the plan had they been hired after Jan. 1, 2011. Proposed law retains present law.

Retirement eligibility under the Haz Duty Plan is generally earlier than for other LASERS employees and is as follows:

- (1) 25 years or more of service, at any age.
- (2) 12 years or more of service, at age 55 or thereafter.
- (3) 20 years of service at any age, actuarially reduced from age 55.

Proposed law retains present law.

Present law (R.S. 42:851) establishes the proportion of health insurance premiums that most active and retired employees are to pay. These proportions depend on variables such as when an employee was hired, how long an employee worked, and whether the employee is eligible for Medicare. Provides that the state shall pay a certain percentage of the premium and the employee or retiree shall pay the difference.

Present law (R.S. 11:620(E)) requires members who transferred into the Haz Duty Plan and who retired under provisions that allowed them to collect a retirement benefit earlier than they otherwise would have to pay an increased proportion of their health insurance premiums.

Proposed law removes the requirement for the increased proportion and requires the health insurance premiums for these Haz Duty Plan members to be calculated according to R.S. 42:851.

For the limited purpose of calculating revised amounts due pursuant to the Act, effective upon signature of governor or lapse of time for gubernatorial action; otherwise effective July 1, 2013.

(Amends R.S. 11:620(E))