
HOUSE COMMITTEE AMENDMENTS

Substitute for Original House Bill No. 60 by Representative Talbot as proposed by the House Committee on Retirement

This document reflects the content of a substitute bill but is not in a bill form; page numbers in this document DO NOT correspond to page numbers in the substitute bill itself.

To amend and reenact R.S. 11:411 and 1002(13) and (17), to enact R.S. 11:701(33)(b)(vi), 721.1(D), and 1305(E), and to repeal R.S. 11:701(33)(a)(iv), (v), (vii), (viii), and (x) and 721.1(B), relative to state retirement systems; to provide relative to membership in such systems for certain employees; to prohibit certain employees from being members and accruing future benefits; to provide definitions; to provide restrictions; to provide relative to current members; to provide an effective date; and to provide for related matters.

Be it enacted by the Legislature of Louisiana:

Section 1. R.S. 11:411 and 1002(13) and (17) are hereby amended and reenacted and R.S. 11:701(33)(b)(vi), 721.1(D), and 1305(E) are hereby enacted to read as follows:

§411. Eligibility for membership

A. The membership of this system shall be as follows:

(1) Each person who becomes an employee in the state service, except those specifically excluded or as to whom an option or election is provided in this Section, shall become a member of the system as a condition of employment.

(2) Any person who becomes an employee in the state service who is a contributing member in any other retirement system shall become a member of this system unless he elects at the time of his employment to remain a contributing member of such other system for which he remains eligible for membership.

(3) Employees on educational leave with stipend.

(4) Membership shall be optional for elected officials and for those officials appointed by the governor whose appointment is subject to confirmation by the Senate and who are not ineligible under R.S. 11:413.

(5) Any state, municipal, or parochial employee transferred to this system, pursuant to any provision of this Chapter authorizing such transfer.

(6) The person who is director for the Louisiana State University Laboratory School on July 11, 2005. His membership in the system shall become effective July 1, 2005. Such person shall be classified as an employee of an Office of Group Benefits participating employer and not as a retiree pursuant to R.S. 42:808(A)(2).

(7)(a) Membership shall be optional for those persons sixty years of age or older at the time of employment and for those persons fifty-five years of age or older who have credit for at least forty quarters in the Social Security system. This shall not apply to rehired retirees.

(b) Membership shall be optional for any person who is receiving retirement benefits from any Louisiana public retirement system, other than this system, at the time the person becomes an employee in the state service.

(8) Employees of any primary health center established under the Public Health Service Act as set forth in Subpart I of Part D of Title 42 of the United States Code, provided that any person covered by this Paragraph who is eligible for membership in any other state or federal public retirement system based on employment with a primary health center shall not be eligible for membership in this system.

(9) Employees of the Amite River Basin Commission. Any such employee who has service as an employee of the commission prior to July 1, 1999, may purchase credit for such service, provided the purchase is transacted in accordance with R.S. 11:158, and further provided that such purchase is transacted prior to the effective date of any such employee's retirement.

(11) Employees of the Lafitte Area Independent Levee District.

B. No person who is employed by an entity that is not the state, the retirement system itself, a state department, agency, board, or commission, or a political subdivision not otherwise specifically authorized by law shall be allowed to be a member of this system.

* * *

§701. Definitions

As used in this Chapter, the following words and phrases have the meanings ascribed to them in this Section unless a different meaning is plainly required by the context:

* * *

(33)

* * *

(b) "Teacher" shall not include any of the following:

* * *

(vi) Any employee whose employer is not the state, a public postsecondary education institution, a special school under the jurisdiction of the State Board of Elementary and Secondary Education, a school board, a charter school, a board created in Art. VIII of the Constitution of Louisiana, or the retirement system itself.

* * *

§721.1. Option to participate in system

* * *

D. No employer that is not the state, a public postsecondary education institution, a special school under the jurisdiction of the State Board of Elementary and Secondary Education, a school board, a charter school, a board created in Art. VIII of the Constitution of Louisiana, or the retirement system itself shall be allowed to enroll employees in this system.

* * *

§1002. Definitions

As used in this Chapter, the following words and phrases shall have the meanings ascribed to them in this Section unless a different meaning is plainly required by the context:

* * *

(13) "Employee" means any person legally occupying a position as a school bus driver who actually renders a service by driving a school bus during the full time of his employment, a school janitor, a school custodian, a school maintenance

employee, school bus aide, monitor or attendant, or other regular school employee who actually works on a school bus helping with the transportation of school children, and who is a legal employee of a parish or city school board of the state of Louisiana, and shall include the employees of this system. The term "employee" shall not include any person who is not employed by the state of Louisiana, a parish or city school board, or this system.

* * *

(17) "Member" means any school employee, as defined in Paragraph (13) of this Section, as provided in Part II of this Chapter. In all cases of doubt, the board of trustees, as ~~hereinafter~~ defined in this Section, shall determine whether any person is eligible to be a member; however, an employee who is not employed by the state, a parish or city school board, or this system shall not be eligible to be a member.

* * *

§1305. Membership in pension and retirement system; credit for unclassified service prohibited; exceptions

* * *

E. No employer that is not the state, a department or agency of the state, or the retirement system itself shall be allowed to enroll employees in this system.

Section 2. R.S. 11:701(33)(a)(iv), (v), (vii), (viii), and (x) and 721.1(B) are hereby repealed in their entirety.

Section 3. Upon the effective date of this Act, all active contributing members of the Teachers' Retirement System of Louisiana whose current membership in such system is a result of R.S. 701(33)(a)(iv), (v), (vii), (viii), or (x) or 721.1(B) as such provisions existed immediately prior to the effective date of this Act shall be prohibited from accruing future benefits in such system as an employee of an employer removed by the provisions of this Act. Such members shall be entitled to retain all accrued benefits in the system as of the day immediately preceding the effective date of this Act. Such members shall also be entitled to exercise any rights otherwise attained relative to such benefits.

Section 4. This Act shall become effective upon signature by the governor or, if not signed by the governor, upon expiration of the time for bills to become law without signature

by the governor, as provided by Article III, Section 18 of the Constitution of Louisiana. If vetoed by the governor and subsequently approved by the legislature, this Act shall become effective on the day following such approval.

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)]

Abstract: Prohibits membership in the four state retirement systems for employees of nonpublic employers.

Present law establishes four state retirement systems to provide for the retirement of state employees, pursuant to present constitution (Art. X, Sec 29). The four state retirement systems are: the Louisiana State Employees' Retirement System (LASERS), the Teachers' Retirement System of Louisiana (TRSL), the Louisiana School Employees' Retirement System (LSERS), and the State Police Retirement System (STPOL).

Proposed law retains present law.

Proposed law prohibits certain employers from enrolling their employees in the state retirement systems, more specifically as follows:

- (1) No employer that is not the state the retirement system itself, a state department, agency, board, or commission, or a political subdivision not otherwise specifically authorized by law shall be allowed to enroll its employees in LASERS.
- (2) No employer that is not the state, a public postsecondary education institution, a special school under the jurisdiction of the State Board of Elementary and Secondary Education, a school board, a charter school, a public postsecondary education management board, the Board of Regents, the State Board of Elementary and Secondary Education, or the retirement system itself is allowed to enroll its employees in TRSL.
- (3) No employer that is not the state, a parish or city school board, or the retirement system itself is allowed to enroll its employees in LSERS.
- (4) No employer that is not the state, a department or agency of the state, or the retirement system itself is allowed to enroll its employees in STPOL.

Present law (R.S. 11:701(33)) provides for the following entities to enroll their employees in TRSL:

- (1) The Louisiana Federation of Teachers (if such employees were previously members of TRSL).
- (2) The Louisiana Association of Educators.
- (3) The Associated Professional Educators of Louisiana.
- (4) The Louisiana High School Athletic Association (if such employees were hired on or before June 30, 2011).

(5) The Louisiana Resource Center for Educators.

Proposed law removes the authorizations for these employers to enroll their employees in TRSL.

Proposed law further provides that any employee whose current membership in TRSL is a result of the provisions repealed by proposed law may retain any benefits he has accrued up until the effective date of the Act, but may not accrue any future benefits in TRSL as an employee of such employer. Further provides that such employees may exercise any rights otherwise attained relative to their benefits.

Effective upon signature of governor or lapse of time for gubernatorial action.

(Amends 11:411 and 1002(13) and (17); Adds R.S. 11:701(33)(b)(vi), 721.1(D), and 1305(E); Repeals R.S. 11:701(33)(a)(iv), (v), (vii), (viii), and (x) and 721.1(B))