Johnson (HB 65)

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

Under <u>existing law</u>, retirement eligibility under the Haz Plan is earlier than for "regular" 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 the time the person would achieve eligibility for retirement pursuant to (1) or (2) above.

Existing law (R.S. 42:851) establishes the proportion of health insurance premiums to be paid by active and retired employees participating in the Office of Group Benefits program. These proportions depend on variables such as hire date, length of service, and whether the retiree 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.

Existing law (R.S. 11:620(E)) requires a member who transferred into the Haz Plan and who retired under any provision of <u>existing law</u> that allowed him to retire earlier than he would have without the transfer to pay an increased proportion of his health insurance premiums.

<u>New law</u> establishes an exception to <u>existing law</u> for any person who retired in Jan. of 2012 and whose last employing agency was the Avoyelles Correctional Center. Pursuant to <u>new law</u>, such a retiree would not be required to pay an increased proportion of health insurance premiums.

<u>New law</u> specifies that the adjustment in the retiree's insurance premium pursuant to the provisions of <u>new law</u> is effective for premium payments made in June of 2013 and thereafter.

Effective June 15, 2013.