

Regular Session, 2014

SENATE BILL NO. 15

BY SENATOR WARD

JUDGES. Provides for a survivor lump sum benefit option. (2/3 - CA10s29(F)) (6/30/14)

1 AN ACT

2 To enact R.S. 11:562(D), relative to judges in office prior to January 1, 2011, in the
3 Louisiana State Employees' Retirement System; to provide for a survivor lump sum
4 benefit option; to provide for restrictions; to provide for an effective date; and to
5 provide for related matters.

6 Notice of intention to introduce this Act has been published.

7 Be it enacted by the Legislature of Louisiana:

8 Section 1. R.S. 11:562(D) is hereby enacted to read as follows:

9 §562. Survivor Benefits

10 * * *

11 **(D) Survivor Lump-Sum Benefit Option. (1) The provisions of this**
12 **Subsection shall apply only to the surviving spouse of any deceased judge who,**
13 **at the time of his death, met all of the following criteria:**

14 **(a) He was in state service.**

15 **(b) He was eligible to receive a retirement benefit at a rate of one**
16 **hundred percent of his average compensation.**

17 **(c) He was eligible to select the Initial Benefit Option pursuant to R.S.**

11:446(A)(5).

(2) Any surviving spouse to whom this Subsection applies shall be eligible to elect to receive the survivor benefit as a lump-sum benefit option. If the surviving spouse selects the survivor lump-sum benefit option provided in this Subsection, the survivor's benefit shall be calculated as if the member had retired the day preceding his death and selected the option in R.S. 11:446(A)(5). The amount of the lump-sum benefit, as determined by the surviving spouse, shall not exceed an amount equal to thirty-six months of the member's maximum retirement allowance.

Section 2. The cost of this Act, if any, shall be funded with additional employer contributions in compliance with Article X, Section 29(F) of the Constitution of Louisiana and R.S. 11:102(C).

Section 3. This Act shall become effective on June 30, 2014; if vetoed by the governor and subsequently approved by the legislature, this Act shall become effective on June 30, 2014, or on the day following such approval by the legislature, whichever is later.

The original instrument and the following digest, which constitutes no part of the legislative instrument, were prepared by Margaret M. Corley.

DIGEST

Ward (SB 15)

Present law (R.S. 11:446(A)(5)), relative to the La. State Employees' Retirement System (LASERS), provides a member with an initial lump-sum benefit option at the time of his retirement.

Proposed law provides for a survivor lump-sum benefit option for the surviving spouse of a judge who, at the time of his death:

- (1) Was in state service.
- (2) Was eligible to receive a retirement benefit at a rate of 100% of his average compensation.
- (3) Was eligible to select the Initial Benefit Option pursuant to present law.

Proposed law provides that the survivor lump-sum benefit shall be calculated as if the member had retired the day preceding his death and selected the option in present law. Provides for the survivor to select the amount of the lump sum. Provides, however, that the lump sum selected shall not exceed 36 months of the judge's maximum allowance.

Effective June 30, 2014.

(Adds R.S. 11:562(D))