

Regular Session, 2014

HOUSE BILL NO. 64

BY REPRESENTATIVE HAVARD

RETIREMENT/STATE EMPS: Provides that certain employees of the Eastern La. Mental Health System are eligible for membership in the Hazardous Duty Services Plan in the La. State Employees' Retirement System

1 AN ACT

2 To enact R.S. 11:612(2.1) and 620.1, relative to membership in the Hazardous Duty Services
3 Plan in the Louisiana State Employees' Retirement System; to provide for
4 membership of certain new hires; to provide for transfers into the plan by certain
5 system members; to provide for funding; and to provide for related matters.

6 Notice of intention to introduce this Act has been published
7 as provided by Article X, Section 29(C) of the Constitution
8 of Louisiana.

9 Be it enacted by the Legislature of Louisiana:

10 Section 1. R.S. 11:612(2.1) and 620.1 are hereby enacted to read as follows:

11 §612. Application; definitions

12 Terms not specifically defined in this Section shall have the meanings
13 provided in R.S. 11:403 unless a different meaning is clearly required by the context.

14 For purposes of this Subpart:

15 * * *

16 (2.1) In addition to the definition provided in Paragraph (2) of this Section,
17 the term "member" shall also include any person employed by the Eastern Louisiana
18 Mental Health System whose first employment making him eligible for membership
19 in one of the state systems occurred on or after July 1, 2015, and whose primary job

1 duties include mental health evaluation, treatment, care, or rehabilitation of or
2 security for patients in the forensic program.

3 * * *

4 §620.1. Transfer of other service credit; Eastern Louisiana Mental Health System
5 employees

6 A. Any member of this system or of another state or statewide system who
7 is employed by the Eastern Louisiana Mental Health System, who would otherwise
8 be eligible for benefits under the plan except that his first employment making him
9 eligible for membership in any state system occurred on or before June 30, 2015,
10 who has not participated in the Deferred Retirement Option Plan in the system of
11 which he is a member, and who is not a reemployed retiree of his system or a retiree
12 of this system reemployed under Option 1 or Option 3 as provided in R.S. 11:416
13 shall have the right to irrevocably elect to become a member of the plan by
14 submitting an application to the board of trustees to be effective on or after July 1,
15 2015.

16 B. Any eligible member who elects to join the Hazardous Duty Services Plan
17 from an existing system or plan shall have the option of:

18 (1)(a) Maintaining prior service credit in the existing system or plan pursuant
19 to the provisions of that system or plan and accruing service credit and benefits in
20 the Hazardous Duty Services Plan after the date he joins the plan. If such election
21 results in an actuarial cost to this system, then the member shall pay the system the
22 amount of such actuarial cost prior to his retirement.

23 (2)(a) An internal actuarial transfer from plan to plan in accordance with the
24 provisions of R.S. 11:143(C) and (D) in which the member transfers all of his service
25 credit from each other system or plan and maintains prior service credit at the accrual
26 rate at which it was earned in the existing system or plan prior to joining the
27 Hazardous Duty Services Plan. If the amount of funds transferred is less than the
28 actuarial cost of the service transferred to the plan, the member transferring, except

1 as otherwise provided in this Section, shall pay the deficit or difference, including
2 the interest thereon at the board-approved actuarial valuation rate of the system.

3 (b) In lieu of paying the deficit or difference plus interest, the member may
4 at his option, but only at the time of transfer, be granted an amount of credit in the
5 plan which is based on the amount of funds actually transferred plus any additional
6 funds less than the deficit paid by the member.

7 (c) Except as otherwise provided in Subparagraph (d) of this Paragraph, a
8 member who completes a transfer under the provisions of this Section shall have his
9 retirement benefit calculated using the accrual rate of the system or plan from which
10 he transferred based on the number of years transferred.

11 (d) A member choosing an internal actuarial transfer shall be eligible to
12 upgrade the service credit that was actuarially transferred pursuant to this Subsection
13 to the accrual rate of the Hazardous Duty Services Plan by paying an amount that
14 totally offsets the increase in actuarial liability resulting from the upgrade in
15 accordance with R.S. 11:158.

16 C. An employee who is a contributing member of any other plan in this or
17 another state or statewide system who would otherwise be required to become a
18 member of this plan as a condition of employment in a position which would
19 otherwise qualify him for such membership on or after July 1, 2015, may elect at the
20 time of his employment in such position to remain a contributing member of the last
21 plan in this system of which he was a member or of such other system for which he
22 remains eligible for membership.

23 D. A member whose first employment making him eligible for membership
24 in a state retirement system occurred on or before June 30, 2015, who elects to join
25 this plan shall thereafter for purposes of all state retirement systems be treated as an
26 employee whose first eligibility for membership occurred on or after July 1, 2015.

27 E. Notwithstanding any other provision of law to the contrary, the premiums
28 for health insurance coverage paid by any retiree participating in the Office of Group
29 Benefits program who has transferred service credit to this plan from another plan

1 in this or any other state system and has retired pursuant to R.S. 11:614(A)(1) or (2)
 2 shall be increased by an amount sufficient to pay for any increase in the employer's
 3 premiums resulting from his retirement pursuant to these provisions. Such increase
 4 in the retiree's premium shall be deducted from the retiree's monthly benefit and
 5 remitted to the Office of Group Benefits. The Office of Group Benefits shall offset
 6 the employer's premium payments by such amount.

7 Section 2. The cost of future accruals under the provisions of this Act, if any, shall
 8 be funded with additional employer contributions in compliance with Article X, Section
 9 29(F) of the Constitution of Louisiana.

10 Section 3. This Act shall become effective upon signature by the governor or, if not
 11 signed by the governor, upon expiration of the time for bills to become law without signature
 12 by the governor, as provided by Article III, Section 18 of the Constitution of Louisiana. If
 13 vetoed by the governor and subsequently approved by the legislature, this Act shall become
 14 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)]

Havard

HB No. 64

Abstract: Adds to the Hazardous Duty Services Plan in the La. State Employees' Retirement System (LASERS) new employees of the Eastern Louisiana Mental Health System whose primary job duties bring them in direct contact with patients in the forensic program.

Present law generally creates the Hazardous Duty Services Plan within LASERS for certain law enforcement personnel whose first employment making them eligible for membership in any state retirement system occurs on or after Jan. 1, 2011, and provides that members of existing hazardous duty plans may retain membership in those plans. The personnel eligible for the Hazardous Duty Services Plan include the following persons:

- (1) Wildlife agents of the enforcement division of the Dept. of Wildlife and Fisheries.
- (2) Wardens, correctional officers, security personnel, and probation and parole officers employed by the Dept. of Public Safety and Corrections (DPS&C).
- (3) Employees of the bridge police section of the Crescent City Connection Division of the Dept. of Transportation and Development (DOTD).
- (4) Full-time law enforcement personnel, supervisors, and administrators who are employed with the Dept. of Revenue, office of alcohol and tobacco control, who are

- P.O.S.T.-certified, who have the power to arrest, and who hold a commission from such office.
- (5) Peace officers, as defined by R.S. 40:2402(3)(a), employed by DPS&C, office of state police, other than state troopers.
 - (6) Arson investigators employed by the office of state fire marshal who are P.O.S.T.-certified, who have the power to arrest, and who hold a commission from such office.
 - (7) Park rangers employed by the Dept. of Culture, Recreation and Tourism, office of state parks, who are P.O.S.T.-certified, who have the power to arrest, and who hold a commission from such office.
 - (8) Campus police officers employed by postsecondary education institutions, who are P.O.S.T.-certified, who have the power to arrest, and who hold a commission required for employment.
 - (9) Hospital security officers employed by LSU Health Sciences Center, who are P.O.S.T.-certified, who have the power to arrest, and who hold a commission required for employment.
 - (10) Investigators of the Dept. of Justice who are in a position required to be P.O.S.T.-certified.
 - (11) Investigators of the office of state inspector general who are in a position required to be P.O.S.T.-certified.
 - (12) All personnel employed in positions required to be P.O.S.T.-certified, who have the power to arrest, and who hold commissions required for employment, who are otherwise members of LASERS, and are not members of any other retirement system.

Proposed law adds employees of the Eastern La. Mental Health System whose first employment making them eligible for membership in a state system occurred on or after July 1, 2015, and whose primary job duties place them in direct contact with forensic program patients.

Proposed law authorizes qualifying employees of the Eastern La. Mental Health System to transfer service credit and upgrade accruals earned in other LASERS plans or other state or statewide retirement systems to the hazardous duty plan under certain circumstances; requires the member to pay certain actuarial costs and any additional cost related to Office of Group Benefits premiums.

Proposed law requires that the cost of future accruals pursuant to proposed law be funded with additional employer contributions in compliance with Art. X, § 29(F) of the state constitution.

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

(Adds R.S. 11:612(2.1) and 620.1)