

2015 Regular Session

HOUSE BILL NO. 10

BY REPRESENTATIVE PEARSON

Prefiled pursuant to Article III, Section 2(A)(4)(b)(i) of the Constitution of Louisiana.

RETIREMENT/TEACHERS: Authorizes a member of the Teachers' Retirement System of Louisiana to purchase credit for service as a teacher at an out-of-state nonpublic school

1 AN ACT

2 To amend and reenact R.S. 11:728(C), relative to the purchase of service credit in the
3 Teachers' Retirement System of Louisiana for out-of-state service; to provide relative
4 to the purchase of service credit for teaching service at an out-of-state nonpublic
5 school; to provide relative to calculation and payment of purchase price for such
6 service credit; to provide requirements for establishing such service credit; and to
7 provide for related matters.

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

11 Be it enacted by the Legislature of Louisiana:

12 Section 1. R.S. 11:728(C) is hereby amended and reenacted to read as follows:

13 §728. Prior service credit

14 * * *

15 C.(1)(a) Notwithstanding any other provision of this Chapter or of any other
16 law to the contrary, any person who is a member of this system shall be eligible to
17 obtain credit in this system for teaching service rendered in any charter school,
18 nonpublic college or university in Louisiana, ~~or a state-approved~~ state-approved
19 elementary or secondary nonpublic or parochial school in Louisiana, or an

1 elementary or secondary nonpublic school that was located in another state and that
2 was, at the time of such service, approved by the appropriate state educational
3 agency in that state.

4 (b)(i) To obtain credit for the service set forth in Subparagraph (a) of this
5 Paragraph, the member shall, prior to the date of the member's application for
6 retirement, submit an application to the board of trustees for such credit and shall
7 furnish a detailed statement of all service for which credit is claimed in such form
8 as the board may require.

9 (ii) In addition, if the member is eligible to retire at the time he establishes
10 credit for such service, there shall be paid into the system an amount equal to the
11 present value of the additional retirement benefit payable on account of his service
12 in charter schools or nonpublic or parochial schools or colleges should he retire at
13 the time credit for such service is established.

14 (iii) If the member is not eligible to retire at the time he establishes credit for
15 service in charter schools or nonpublic or parochial schools or colleges, there shall
16 be paid into the system an amount which, if invested at regular interest, would
17 accumulate to an amount equal to the present value of the additional retirement
18 benefit payable on account of his service in charter schools or nonpublic or parochial
19 schools or colleges should the member continue until the earliest date he is eligible
20 to retire.

21 (2)(a) In determining the present value of the additional benefit payable on
22 account of service in charter schools or nonpublic or parochial schools or colleges
23 and the amounts to be paid for credit for such service, regular interest, salary scales
24 used to project future salary increases, and the tables of the system as adopted by the
25 board of trustees shall be utilized.

26 (b) Amounts paid to establish credit for teaching service in charter schools
27 or nonpublic or parochial schools or colleges shall be credited to the member's
28 account in the Annuity Savings Fund. Such amounts shall be paid in one lump sum.

29 * * *

1 Section 2. Any actuarial cost of this Act not funded by member payments required
2 in Section 1 of this Act shall be funded with increased employer contributions in compliance
3 with Article X, Section 29(F) of the Constitution of Louisiana.

4 Section 3. This Act shall become effective on July 1, 2015; if vetoed by the governor
5 and subsequently approved by the legislature, this Act shall become effective on July 1,
6 2015, or on the day following such approval by the legislature, whichever is later.

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)]

HB 10 Original

2015 Regular Session

Pearson

Abstract: Authorizes a member of the Teachers' Retirement System of Louisiana (TRSL) to purchase service credit for time spent as a teacher at a nonpublic elementary or secondary school in another state.

Present law authorizes members of TRSL to purchase service credit in the retirement system for teaching service rendered in any of the following:

- (1) A public school system of any other state.
- (2) A charter school.
- (3) A nonpublic college or university in La.
- (4) A state-approved elementary or secondary nonpublic or parochial school in La.

Proposed law further authorizes members to purchase credit for teaching service rendered at an elementary or secondary nonpublic school in another state that was approved by the appropriate state educational agency.

Present law provides requirements for the member's application to establish credit for any such service. Proposed law retains present law.

Present law further provides for the calculation of the purchase price for such service credit. Proposed law retains present law.

Proposed law requires that any cost of proposed law not funded by the purchase price paid by participating members be funded with additional employer contributions in compliance with Art. X, Sec. 29(F) of the state constitution.

Effective July 1, 2015.

(Amends R.S. 11:728(C))