
DIGEST

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HB 43 Reengrossed

2015 Regular Session

LeBas

Abstract: Phases in a salary cap increase for a retiree of the Teachers' Retirement System of Louisiana (TRSL) who returns to work as a substitute classroom.

Present law (R.S. 11:710(C)(2)) prohibits a retired member of TRSL from receiving his benefit check while he is reemployed in a position covered by TRSL. Present law (R.S. 11:710(A)) provides exceptions to this prohibition. Proposed law retains present law.

Present law further provides that for retirees meeting the return to work exceptions in present law, for the first twelve months after a retiree's date of retirement, his benefits are suspended entirely if the retiree returns to work. Such twelve month period is hereafter referred to as the "waiting period". Proposed law retains present law.

Present law defines the term "classroom teacher" to mean any employee whose position of employment requires a valid La. teaching certificate and who is assigned the professional activities of instructing pupils in courses in classroom situations for which daily pupil attendance figures for the school system are kept. Proposed law retains present law.

Present law provides that after his waiting period terminates, a retired member may return to work as a substitute classroom teacher and draw his full benefit check while working, but may only earn up to 25% of his annual benefit as salary in such a position. Proposed law provides that the 25% earnings limit in present law applies in the fiscal year in which the retiree's waiting period terminates and in the fiscal year immediately following the fiscal year in which the retiree's waiting period terminates. Further provides that in any subsequent fiscal year, the earnings limit for such reemployment shall be 50% of the retiree's annual benefit.

Present law provides that any amount earned over 25% of the retiree's annual benefit is to be deducted from the retiree's benefit check. Proposed law provides that any amount earned over the applicable earning limit in proposed law is to be deducted from the retiree's benefit check pursuant to present law.

Proposed law requires that any cost of proposed law 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. 11:710(A)(5))

Summary of Amendments Adopted by House

The House Floor Amendments to the engrossed bill:

1. Phase in the increased earnings limit in proposed law. The 25% salary cap in present law is retained for the fiscal year in which the retiree's waiting period terminates and for the fiscal year immediately following the fiscal year in which the retiree's waiting period terminates. Apply the 50% salary cap in all subsequent fiscal years.