

2016 Regular Session

SENATE BILL NO. 7

BY SENATOR PEACOCK

SCHOOL EMPLOYEES RET. Provides relative to certain purchases of service credit. (2/3 - CA10s29(F)) (6/30/16)

1 AN ACT

2 To amend and reenact R.S. 11:1137, relative to the Louisiana School Employees' Retirement

3 System; to provide relative to requirements for certain purchases of service credit;

4 to provide for an effective date; and to provide for related matters.

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

6 Be it enacted by the Legislature of Louisiana:

7 Section 1. R.S. 11:1137 is hereby amended and reenacted to read as follows:

8 §1137. Credit for service as an employee

9 Any ~~active, contributing~~ **person who has been a** member of this system **for**

10 **a minimum of ninety days** may receive credit for service rendered as an employee,

11 for which credit is not maintained in any other ~~publicly supported~~ **Louisiana public**

12 retirement system. In order to receive credit for such service, payment shall be made

13 to the retirement system of an amount calculated in accordance with the provisions

14 of R.S. 11:158; ~~however, the member shall have rendered service as an employee for~~

15 ~~a minimum of ninety days and shall purchase a minimum of ninety days' service in~~

16 ~~order to avail himself of the provisions of this Section.~~ The amount of service credit

17 shall be limited to the actual number of days the member was employed by a school

1 board. Credit shall only be allowed for service for which the school board maintained  
 2 a record, and for which the school board certifies the correctness thereof to the  
 3 retirement system. All payments to be made under this Section shall be paid prior to  
 4 the effective date of retirement.

5 Section 2. This Act shall become effective on June 30, 2016; if vetoed by the  
 6 governor and subsequently approved by the legislature, this Act shall become effective on  
 7 June 30, 2016, or on the day following such approval by the legislature, whichever is later.

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The original instrument was prepared by Margaret M. Corley. The following digest, which does not constitute a part of the legislative instrument, was prepared by Laura Gail Sullivan.

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## DIGEST

SB 7 Engrossed

2016 Regular Session

Peacock

Present law, relative to the La. School Employees' Retirement System (LSERS), defines "employee" as "any person legally occupying a position as a school bus driver who actually renders a service by driving a school bus during the full time of his employment, a school janitor, a school custodian, a school maintenance employee, school bus aide, monitor or attendant, or other regular school employee who actually works on a school bus helping with the transportation of school children, and who is a legal employee of a parish or city school board of the state of Louisiana, and shall include the employees of this system".

Proposed law retains present law.

Present law allows an active, contributing member of LSERS to purchase 90 days or more of credit for service rendered as an employee if the member does not have credit for that service in any other public retirement system and if the person has been an LSERS member for at least 90 days. Provides for calculation of purchase price and documentation necessary to certify the service was rendered.

Proposed law retains present law requirement of a minimum of 90 days of LSERS membership before that member may purchase the credit.

Proposed law specifies that the purchase is permitted only if the member does not have credit for that service in any other Louisiana public retirement system.

Proposed law deletes the requirement that the member purchase at least 90 days of service credit.

Effective June 30, 2016.

(Amends R.S. 11:1137)

Summary of Amendments Adopted by Senate

Committee Amendments Proposed by Senate Committee on Retirement to the original bill

1. Retain the requirement of 90 days of LSERS membership to be eligible to make a purchase under present law.
2. Specify that the purchase is prohibited if the credit is maintained in another La. public retirement system.