

2016 Regular Session

SENATE BILL NO. 2

BY SENATORS PEACOCK, BOUDREAUX, CHABERT, CORTEZ, LONG,
MILKOVICH AND MIZELL

RETIREMENT SYSTEMS. Authorizes payments funded by state systems' experience accounts to certain retirees and beneficiaries. (2/3 - CA10s29(F)) (6/30/16)

1 AN ACT

2 To enact R.S. 11:542.2, 883.4, 1145.3, and 1332.1, to authorize payments funded by state
3 retirement system experience accounts to certain retirees and beneficiaries; to
4 provide qualifications for receipt of such payments; to provide relative to the amount
5 of such payments; to provide for an effective date; and to 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. 11:542.2, 883.4, 1145.3, and 1332.1 are hereby enacted to read as
9 follows:

10 **§542.2. Permanent benefit increase; payable July 1, 2016**

11 **A. Notwithstanding any provision of R.S. 11:542 to the contrary, the**
12 **board of trustees of the Louisiana State Employees' Retirement System may**
13 **grant a permanent benefit increase, funded exclusively with money from the**
14 **experience account and payable July 1, 2016, to the following retirees and**
15 **beneficiaries:**

16 **(1) Any retiree, other than a disability retiree, who has attained at least**
17 **age sixty and who has received a benefit for at least one year.**

1 §1332.1. Cost-of-living adjustment; payable July 1, 2016

2 A. Notwithstanding any provision of R.S. 11:1332 to the contrary, the
3 board of trustees of the State Police Retirement System may grant a
4 cost-of-living adjustment, funded exclusively with money from the experience
5 account and payable July 1, 2016, to the following retirees and beneficiaries:

6 (1) Any retiree, other than a disability retiree, who has attained at least
7 age sixty and who has received a benefit for at least one year.

8 (2) Any nonretiree beneficiary whose receipt of benefits is not based on
9 the death of a disability retiree, if benefits have been paid to the retiree or the
10 beneficiary or to both combined for at least one year and if the retiree would
11 have attained age sixty.

12 (3) Any disability retiree or any nonretiree beneficiary who receives
13 benefits based on the death of a disability retiree, if benefits have been paid to
14 the retiree or beneficiary or to both combined for at least one year.

15 B. The increase authorized by this Section shall be payable only on the
16 first sixty thousand dollars of a retiree or beneficiary's benefit and shall be an
17 amount determined by the system's actuary with the agreement of the
18 legislative auditor's actuary that is supported by the experience account balance
19 after any credits or debits to the account pursuant to R.S. 11:1332 up to a
20 maximum payment of two percent of the eligible benefit amount.

21 Section 2. Any cost of this Act not funded by payments made pursuant to the
22 provisions of Section 1 of this Act shall be funded with additional employer contributions
23 in compliance with Article X, Section 29(F) of the Constitution of Louisiana.

24 Section 3. If the instruments which originated as Senate Bill No. 5 and Senate Bill
25 No. 18 of the 2016 Regular Session of the Legislature do not become effective, this Act shall
26 be null and void and of no effect.

27 Section 4. This Act shall become effective on June 30, 2016; if vetoed by the
28 governor and subsequently approved by the legislature, this Act shall become effective on
29 June 30, 2016, or on the day following such approval by the legislature, whichever is later.

Proposed law provides that if the instruments which originated as Senate Bill No. 5 and Senate Bill No. 18 of the 2016 Regular Session of the Legislature do not become effective, proposed law shall be null and void and of no effect.

Effective June 30, 2016.

(Adds R.S. 11:542.2, 883.4, 1145.3, and 1332.1)

Summary of Amendments Adopted by Senate

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

1. Makes technical changes.
2. Provides that if the instruments which originated as Senate Bill No. 5 and Senate Bill No. 18 of the 2016 Regular Session of the Legislature do not become effective, proposed law shall be null and void and of no effect.