

**ACT No. 512**

2016 Regular Session

HOUSE BILL NO. 32

BY REPRESENTATIVES JONES, ARMES, BACALA, BAGLEY, BILLIOT, BOUIE, TERRY BROWN, CARPENTER, ROBBY CARTER, COX, FRANKLIN, GAINES, HALL, HAZEL, HILL, HOWARD, HUNTER, JACKSON, JAMES, JEFFERSON, JENKINS, ROBERT JOHNSON, TERRY LANDRY, MACK, MAGEE, MARCELLE, MCFARLAND, MIGUEZ, DUSTIN MILLER, MONTOUCET, MORENO, NORTON, PIERRE, POPE, PRICE, PYLANT, REYNOLDS, SEABAUGH, SHADOIN, SMITH, WILLMOTT, AND ZERINGUE AND SENATORS ALARIO, ALLAIN, BARROW, BISHOP, BOUDREAUX, COLOMB, CORTEZ, ERDEY, FANNIN, GATTI, HEWITT, LUNEAU, MILKOVICH, MILLS, MIZELL, MORRISH, PEACOCK, RISER, JOHN SMITH, THOMPSON, WARD, AND WHITE

1 AN ACT

2 To enact R.S. 11:542.2, 883.4, 1145.3, and 1331.2, relative to state retirement system  
3 experience accounts; to debit funds from such accounts to pay a benefit increase to  
4 certain retirees and beneficiaries of state systems; to provide qualifications for  
5 receipt of such payments; to provide relative to the amount of such payments; and  
6 to provide for related matters.

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

10 Be it enacted by the Legislature of Louisiana:

11 Section 1. R.S. 11:542.2, 883.4, 1145.3, and 1331.2 are hereby enacted to read as  
12 follows:

13 §542.2. Permanent benefit increase; payable beginning July 1, 2016

14 A. Notwithstanding any provision of R.S. 11:542 to the contrary, the board  
15 of trustees of the Louisiana State Employees' Retirement System may pay a  
16 permanent benefit increase, payable beginning July 1, 2016, to the following retirees  
17 and beneficiaries:

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



1           B. Any benefit increase paid pursuant to the provisions of this Section shall  
2           be paid from the funds in the system experience account.

3           C. The amount of the increase authorized by this Section shall be an amount  
4           determined by the system's actuary that is supported by the funds in the experience  
5           account up to a maximum payment of one and one-half percent of the benefit  
6           amount. The funds in the account shall be sufficient to fund such benefit fully on an  
7           actuarial basis. If the legislative auditor's actuary disagrees with the determination  
8           of the system's actuary, a permanent benefit increase shall not be granted.

9           D. The increase provided for in this Section shall be payable only on the first  
10          sixty thousand dollars of a retiree or beneficiary's benefit.

11                                   \*           \*           \*

12          §1145.3. Cost-of-living adjustment; payable beginning July 1, 2016

13          A. Notwithstanding any provision of R.S. 11:1145.1 to the contrary, the  
14          board of trustees of the Louisiana School Employees' Retirement System may pay  
15          a cost-of-living adjustment, payable beginning July 1, 2016, to the following retirees  
16          and beneficiaries:

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

19                 (2) Any nonretiree beneficiary, if benefits had been paid to the retiree or the  
20                 beneficiary, or both combined, for at least one year and if the retiree would have  
21                 attained age sixty.

22                 (3) Any disability retiree or a person who receives benefits from the system  
23                 based on the death of a disability retiree, if benefits have been paid to the retiree or  
24                 the beneficiary, or both combined, for at least one year.

25          B. Any benefit increase paid pursuant to the provisions of this Section shall  
26          be paid from the funds in the system experience account.

27          C. The amount of the increase authorized by this Section shall be an amount  
28          determined by the system's actuary that is supported by the funds in the experience  
29          account up to a maximum payment of two percent of the benefit amount. The funds  
30          in the account shall be sufficient to fund such benefit fully on an actuarial basis. If

1 the legislative auditor's actuary disagrees with the determination of the system's  
2 actuary, a cost-of-living adjustment shall not be granted.

3 D. The increase provided for in this Section shall be payable only on the first  
4 sixty thousand dollars of a retiree or beneficiary's benefit.

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6 §1331.2. Cost-of-living adjustment; payable beginning July 1, 2016

7 A. Notwithstanding any provision of R.S. 11:1332 to the contrary, the board  
8 of trustees of the State Police Retirement System may pay a cost-of-living  
9 adjustment, payable beginning July 1, 2016, as follows:

10 (1) In accordance with Subsection C of this Section, the board may pay a  
11 cost-of-living adjustment to the following retirees and beneficiaries:

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

14 (b) Any nonretiree beneficiary, if benefits had been paid to the retiree or the  
15 beneficiary, or both combined, for at least one year and if the retiree would have  
16 attained age sixty.

17 (c) Any disability retiree or a person who receives benefits from the system  
18 based on the death of a disability retiree, if benefits have been paid to the retiree or  
19 the beneficiary, or both combined, for at least one year.

20 (2) In accordance with Subsection D of this Section, the board may pay a  
21 supplemental cost-of-living adjustment to all retirees and beneficiaries who are at  
22 least age sixty-five and who retired on or before June 30, 2001.

23 B. Any benefit increases paid pursuant to the provisions of this Section shall  
24 be paid from the funds in the system experience account.

25 C. The amount of the increase authorized by Paragraph (A)(1) of this Section  
26 shall be an amount determined by the system's actuary that is supported by the funds  
27 in the experience account after any credits or debits to the account up to a maximum  
28 payment of two percent of the benefit amount. The funds in the account shall be  
29 sufficient to fund such benefit fully on an actuarial basis. If the legislative auditor's

1           actuary disagrees with the determination of the system's actuary, a cost-of-living  
2           adjustment shall not be granted.

3           D. The amount of the increase authorized by Paragraph (A)(2) of this Section  
4           shall be an amount determined by the system's actuary that is supported by the funds  
5           in the experience account after payment of the increase granted pursuant to  
6           Paragraph (A)(1) of this Section up to a maximum payment of two percent of the  
7           benefit amount. The funds in the account shall be sufficient to fund such benefit  
8           fully on an actuarial basis. If the legislative auditor's actuary disagrees with the  
9           determination of the system's actuary, such cost-of-living adjustment shall not be  
10          granted.

11          E. The increases provided for in this Section shall be payable only on the  
12          first sixty thousand dollars of a retiree or beneficiary's benefit.

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

16          Section 3. This Act shall become effective on June 30, 2016; if vetoed by the  
17          governor and subsequently approved by the legislature, this Act shall become effective on  
18          June 30, 2016, or on the day following such approval by the legislature, whichever is later.

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SPEAKER OF THE HOUSE OF REPRESENTATIVES

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PRESIDENT OF THE SENATE

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GOVERNOR OF THE STATE OF LOUISIANA

APPROVED: \_\_\_\_\_