

Regular Session, 2009

HOUSE BILL NO. 825

BY REPRESENTATIVE TUCKER AND SENATOR HEITMEIER

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

RETIREMENT/DISTRICT ATTY: Relative to the District Attorneys' Retirement System (DARS), allows a reemployed retiree to regain membership by paying back all benefits earned, plus interest

1 AN ACT

2 To enact R.S. 11:1631(F)(3), relative to the District Attorneys' Retirement System; to allow  
3 reemployed retirees to regain membership and receive a recalculation of retirement  
4 benefits under certain circumstances; to provide an effective date; and to provide for  
5 related matters.

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

9 Be it enacted by the Legislature of Louisiana:

10 Section 1. R.S. 11:1631(F)(3) is hereby enacted to read as follows:

11 §1631. Retirement benefits; application; eligibility requirements

12 \* \* \*

13 F.

14 \* \* \*

15 (3) Notwithstanding the provisions of Paragraph (1) of this Subsection, any  
16 member who has retired from this system who is reemployed as an employee as that  
17 term is defined in R.S. 11:1581 may upon written election rescind his previous  
18 retirement by paying into the system an amount which, on an actuarial basis, totally  
19 offsets the increase in accrued liability of the system resulting from the rescission of

1        his original benefit. Such payment shall be made in full within two hundred days of  
2        his reemployment. Upon payment of the required amount, the member shall have  
3        restored all service credit earned and shall be subject to the provisions of law that  
4        would have otherwise been applicable had he not previously retired for the purposes  
5        of calculation of retirement benefits. Upon subsequent retirement such individual's  
6        benefits shall be recalculated such that his original service credit shall be added to  
7        his service credit earned during reemployment. The average final compensation  
8        used to recalculate his benefits shall be calculated as otherwise provided by law,  
9        except that during his first sixty months of reemployment the average compensation  
10       used to recalculate his benefit for each twelve-month period shall not increase by  
11       more than ten percent.

\* \* \*

13       Section 2. This Act shall become effective on July 1, 2009; if vetoed by the governor  
14 and subsequently approved by the legislature, this Act shall become effective on July 1,  
15 2009, 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)]

Tucker

HB No. 825

**Abstract:** Allows a reemployed retiree of the District Attorneys' Retirement System to recalculate his benefit as though he had not retired, rather than earning a supplemental benefit during the period of his reemployment.

Present law (R.S. 11:1631(F)) provides that any reemployed retiree of the District Attorneys' Retirement System shall have his benefit suspended during the period of reemployment and shall resume active membership. Such reemployed retiree may establish service credit for the period of his reemployment by paying to the system the applicable employee and employer contributions plus interest for such period. Such retiree shall accrue a supplemental benefit for such period of reemployment. If he continued reemployment for less than 36 months, his supplemental benefit shall be calculated on the lesser of his average final compensation on his original retirement date or the average compensation during the period of his reemployment. If he continues in reemployment for 36 months or more, his supplemental benefit shall be calculated based on his average final compensation.

Proposed law retains present law except that a reemployed retiree may rescind his original retirement and have his benefit recalculated as though he had not retired by paying into the system an amount which offsets the accrued liability to the system resulting from the recision of those original benefits. Such repayment must be made within 200 days of his

reemployment date. Upon subsequent retirement his benefit shall be recalculated. However, for purposes of calculating his average final compensation, during the first 60 months of his reemployment his average compensation shall not increase by more than 10% for each 12-month period.

Effective July 1, 2009.

(Adds R.S. 11:1631(F)(3))

Summary of Amendments Adopted by House

Committee Amendments Proposed by House Committee on Retirement to the original bill.

1. Change the amount that must be paid by the reemployed member availing himself of proposed law from the benefits receive plus interest to an amount which on an actuarial basis offsets the accrued liability to the system resulting from the rescission of his original benefits.
2. Change the period during which such member's average compensation used to calculate benefits shall not exceed 10% for any 12 month period from 36 months to 60 months.