
DIGEST

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Robideaux

HB No. 746

Abstract: Relative to early retirement under the La. State Employees' Retirement System (LASERS), provides for different method for calculating benefits depending upon whether or not the retiree was in service at the time of his retirement.

Present law (R.S. 11:441(A)(1)), provides that a LASERS member hired on or before June, 30, 2006, shall be eligible for retirement if he has:

- (1) 30 years or more of service, at any age.
- (2) 25 years or more of service, at age 55 or thereafter.
- (3) 10 years or more of service, at age 60 or thereafter.
- (4) 20 years of service credit at any age, exclusive of military service and unused annual and sick leave, but shall be actuarially reduced from the earliest age that he would normally become eligible for a regular retirement benefit under (1), (2), or (3) above if he had continued in service to that age. Provides that any employee who elects to retire under this option (4) shall not be eligible to participate in the Deferred Retirement Option Plan (DROP) or the Initial Benefit Option (IBO).

Proposed law retains present law but relative to (4) above, changes the method of calculation to be used in actuarially reducing the benefits of an early retiree depending on whether or not he was in service at the time of retirement. Provides that for a person who is in state service at the time of retirement, his benefit shall be reduced from the earliest age that he would normally become eligible for regular retirement, as though he had continued working to that age. For a person out of state service at the time of retirement, the years of service he has accrued at the time of retirement shall be used to determine the earliest age that he would normally become eligible for regular retirement.

Effective July 1, 2010.

(Amends R.S. 11:441(A)(1)(d))