

Regular Session, 2010

SENATE BILL NO. 85

BY SENATOR B. GAUTREAUX

PAROCHIAL EMPLOYEES RET. Establishes a range for employee contributions to be set by the board of trustees for Plans A and B. (1/1/11)

1 AN ACT

2 To amend and reenact R.S. 11:62(8)(a) and (b), 1946, and 1966, relative to the Parochial
3 Employees' Retirement System; to provide for ranges for employee contributions for
4 Plans A and B; to provide the board of trustees with authority to set the employee
5 contribution rates for members of Plan A and Plan B within the ranges; to provide
6 for an effective date; and to provide for related matters.

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

8 Be it enacted by the Legislature of Louisiana:

9 Section 1. R.S. 11:62(8)(a) and (b), 1946, and 1966 are hereby amended and
10 reenacted to read as follows:

11 §62. Employee contribution rates established

12 Employee contributions to state and statewide public retirement systems shall
13 be paid at the following rates:

14 * * *

15 (8) Parochial Employees' Retirement System of Louisiana:

16 (a) Plan A - ~~9.5%~~ **Not less than 8% nor more than 11%, as determined by**
17 **the board of trustees in consultation with the actuary for the system.**

1 (b) Plan B - Not less than 3% nor more than 5%, as determined by the
2 board of trustees in consultation with the actuary for the system.

3 * * *

4 §1946. Employee contributions

5 Each member of Plan A shall contribute an amount equal to ~~9.5~~ a percentage of his
6 earnings from each and every payment of earnings, which contributions shall be credited to
7 annuity savings fund A. The percentage shall be set by the board for each calendar year
8 within a range from eight percent to eleven percent and shall become effective as of the
9 first payroll period reportable on the employee's W-2 for that year.

10 * * *

11 §1966. Employee contributions

12 Each member of Plan B shall contribute an amount equal to ~~three~~ a percentage of his
13 monthly earnings from each and every payment of earnings, which contributions shall be
14 credited to annuity savings fund B. The percentage shall be set by the board for each
15 calendar year in a range from three percent to five percent and shall become effective
16 as of the first payroll period reportable on the employee's W-2 for that year.

17 Section 2. This Act shall become effective on January 1, 2011; if vetoed by the
18 governor and subsequently approved by the legislature, this Act shall become effective on
19 January 1, 2011, or on the day following such approval by the legislature, whichever is later.

The original instrument and the following digest, which constitutes no part
of the legislative instrument, were prepared by Lauren B. Bailey.

DIGEST

B. Gautreaux (SB 85)

Present law establishes employee contribution rates for state and statewide public retirement systems. Provides that each member of Plan A of the Parochial Employees' Retirement System (PERS) shall contribute 9.5% of his earnings and each member of PERS Plan B shall contribute 3% of his earnings.

Proposed law provides for a range of employee contribution rates from 8% to 11% for PERS Plan A. Proposed law provides for a range of employee contribution rates from 3% to 5% for PERS Plan B.

Proposed law provides that the PERS board of trustees shall determine the employee contribution rate to be applied to Plan A and Plan B in consultation with the system's actuary.

Present law provides that each member of PERS Plan A or of PERS Plan B shall make employee contributions to his plan from each and every payment of earnings. Provides that such contributions shall be credited to the annuity savings fund for his plan.

Proposed law retains present law.

Proposed law provides that the employee contribution rate for each of the Plans shall be set by the PERS' board for each calendar year within the permissible range. Provides that the rate shall become effective as of the first payroll period reportable on the employee's W-2 for that year.

Effective January 1, 2011.

(Amends R.S. 11:62(8)(a) and (b), 1946, and 1966)