

2015 Regular Session

HOUSE BILL NO. 43

BY REPRESENTATIVES LEBAS, ARMES, ARNOLD, BILLIOT, BROWN, BURRELL, COX, EDWARDS, GISCLAIR, GUINN, HALL, HILL, HOFFMANN, HONORE, HOWARD, HUNTER, JAMES, JEFFERSON, MIKE JOHNSON, ROBERT JOHNSON, JONES, TERRY LANDRY, MONTOUCET, NORTON, ORTEGO, PIERRE, POPE, REYNOLDS, RICHARD, RITCHIE, SHADOIN, WILLMOTT, AND WOODRUFF

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

RETIREMENT/TEACHERS: Increases the salary cap in the Teachers' Retirement System of Louisiana retire-rehire law for retirees employed as substitute classroom teachers

1 AN ACT

2 To amend and reenact R.S. 11:710(A)(5), relative to payment of retirement benefits to
3 retirees employed in positions covered by the Teachers' Retirement System of
4 Louisiana; to provide relative to salary caps on certain such employment; and to
5 provide for 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. 11:710(A)(5) is hereby amended and reenacted to read as follows:

11 §710. Employment of retirees

12 A. For purposes of this Section, "retired teacher" shall mean any of the
13 following:

14 * * *

15 (5)(a) A retired member who returns to active service covered by the
16 provisions of this Chapter as a substitute classroom teacher who teaches any student
17 in pre-kindergarten through twelfth grade. For purposes of this Paragraph "substitute

1 classroom teacher" shall mean a classroom teacher employed in a temporary capacity
2 to fill the position of another classroom teacher who is unavailable to teach for any
3 reason. Such substitute classroom teacher's earnings from his return to active service
4 shall not exceed twenty-five percent of his benefit during the fiscal year in which his
5 waiting period ends and during the fiscal year immediately following the fiscal year
6 in which his waiting period ends. During any fiscal year thereafter, earnings shall
7 not exceed fifty percent of his benefit.

8 (b) If actual earnings exceed ~~this amount~~ the applicable earnings limit
9 provided for in Subparagraph (a) of this Paragraph in any fiscal year, the benefits
10 payable to the retiree shall be reduced by the amount in excess of ~~twenty-five percent~~
11 ~~of his benefit~~ such earnings limit.

12 * * *

13 Section 2. The cost of this Act, if any, shall be funded with additional employer
14 contributions in compliance with Article X, Section 29(F) of the Constitution of Louisiana.

15 Section 3. This Act shall become effective on July 1, 2015; if vetoed by the governor
16 and subsequently approved by the legislature, this Act shall become effective on July 1,
17 2015, 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)]

HB 43 Reengrossed 2015 Regular Session LeBas

Abstract: Phases in a salary cap increase for a retiree of the Teachers' Retirement System of Louisiana (TRSL) who returns to work as a substitute classroom.

Present law (R.S. 11:710(C)(2)) prohibits a retired member of TRSL from receiving his benefit check while he is reemployed in a position covered by TRSL. Present law (R.S. 11:710(A)) provides exceptions to this prohibition. Proposed law retains present law.

Present law further provides that for retirees meeting the return to work exceptions in present law, for the first twelve months after a retiree's date of retirement, his benefits are suspended entirely if the retiree returns to work. Such twelve month period is hereafter referred to as the "waiting period". Proposed law retains present law.

Present law defines the term "classroom teacher" to mean any employee whose position of employment requires a valid La. teaching certificate and who is assigned the professional

activities of instructing pupils in courses in classroom situations for which daily pupil attendance figures for the school system are kept. Proposed law retains present law.

Present law provides that after his waiting period terminates, a retired member may return to work as a substitute classroom teacher and draw his full benefit check while working, but may only earn up to 25% of his annual benefit as salary in such a position. Proposed law provides that the 25% earnings limit in present law applies in the fiscal year in which the retiree's waiting period terminates and in the fiscal year immediately following the fiscal year in which the retiree's waiting period terminates. Further provides that in any subsequent fiscal year, the earnings limit for such reemployment shall be 50% of the retiree's annual benefit.

Present law provides that any amount earned over 25% of the retiree's annual benefit is to be deducted from the retiree's benefit check. Proposed law provides that any amount earned over the applicable earning limit in proposed law is to be deducted from the retiree's benefit check pursuant to present law.

Proposed law requires that any cost of proposed law be funded with additional employer contributions in compliance with Art. X, Sec. 29(F) of the state constitution.

Effective July 1, 2015.

(Amends R.S. 11:710(A)(5))

Summary of Amendments Adopted by House

The House Floor Amendments to the engrossed bill:

1. Phase in the increased earnings limit in proposed law. The 25% salary cap in present law is retained for the fiscal year in which the retiree's waiting period terminates and for the fiscal year immediately following the fiscal year in which the retiree's waiting period terminates. Apply the 50% salary cap in all subsequent fiscal years.