
HOUSE COMMITTEE AMENDMENTS

2020 Second Extraordinary Session

Substitute for Original House Bill No. 36 by Representative Bacala as proposed by the House Committee on Retirement

This document reflects the content of a substitute bill but is not in a bill form; page numbers in this document DO NOT correspond to page numbers in the substitute bill itself.

To amend and reenact R.S. 11:149(B) and to enact R.S. 11:416.2, 710.2, 1141.1, and 1311.1, relative to retirees of the Louisiana State Employees' Retirement System, the Teachers' Retirement System of Louisiana, the Louisiana School Employees' Retirement System, and the Louisiana State Police Retirement System; to provide relative to the reemployment of such retirees during declared emergencies; to authorize such reemployment without suspension or reduction of retirement benefits; and to provide for related matters.

Be it enacted by the Legislature of Louisiana:

Section 1. R.S. 11:149(B) is hereby amended and reenacted and R.S. 11:416.2, 710.2, 1141.1, and 1311.1 are hereby enacted to read as follows:

§149. Reemployment of retirees

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B.(1) Any person who retires under ~~any~~ an early retirement incentive plan of the state of Louisiana for state employees shall not be reemployed by any department of state government for two years after the effective date of their retirement.

(2) The provisions of Paragraph (1) of this Subsection shall not apply to: ~~seasonal~~

(a) Seasonal fire fighting personnel employed by the office of forestry in the Department of Agriculture and Forestry, ~~and election-related.~~

(b) Election-related personnel in the Department of State. Reemployment of election personnel shall not exceed six weeks prior to an election and two weeks following an election.

(c) A retiree from one of the state retirement systems if such reemployment occurs during a state of emergency declared by the governor and the employer certifies in writing to the appropriate retirement system that reemployment of the retiree is critical to the effectiveness of the employer's response to the emergency.

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§416.2. Reemployment of a retiree during an emergency

A. Notwithstanding R.S. 11:416 or any other provision of law, the retirement benefits of a retiree of the system who engages in employment that would render him eligible for membership in the system shall not be suspended, reduced, delayed, or otherwise affected if all of the following conditions apply:

(1) The reemployment occurs during a state of emergency declared by the governor.

(2) The employer certifies in writing to the retirement system that employment of the retiree is critical to the effectiveness of the employer's response to the emergency. The employer shall recertify that the employee is critical every six months.

(3) The date of the retiree's retirement is more than thirty days prior to the initial declaration of the state of emergency that he is reemployed to respond to.

(4) The retiree's retirement was not based on a disability.

B. This Section is applicable to the employment of a retiree only while the state of emergency that the retiree is employed to respond to is in effect. Once this Section is no longer applicable, a retiree is subject to the other provisions of this Chapter.

C. If on the first day of any Regular Session of the Legislature, a state of emergency has been in effect continuously for more than three hundred sixty-five days, this Section shall cease to be applicable to the reemployment of retirees pursuant to that state of emergency sixty days after final adjournment of that session.

D. During the period of his return to active service pursuant to this Section, the retiree and his employer shall make contributions to the retirement system as otherwise provided by law, but the retiree shall receive no additional service credit

and shall not accrue any additional retirement benefits in the retirement system.
Upon termination of active service, the retiree shall, upon application, be refunded
the employee contributions paid since reemployment covered by this Section. The
refund shall be without interest. The retirement system shall retain the employer
contributions.

E. R.S. 11:416(B) does not apply to an employee who is employed in
accordance with this Section or to his employer. However, the employer shall report
the date of employment and date of termination for any retiree reemployed pursuant
to this Section to the system.

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§710.2. Reemployment of a retiree during an emergency

A. Notwithstanding R.S. 11:710 or 710.1 or any other provision of law, the
retirement benefits of a retiree of the system who returns to active service covered
by the provisions of this Chapter, even if such service is based on employment by
contract or corporate contract, shall not be suspended, reduced, delayed, or otherwise
affected if all of the following conditions apply:

(1) The hiring occurs during a state of emergency declared by the governor.

(2) The employer certifies in writing to the retirement system that
employment of the retiree is critical to the effectiveness of the employer's response
to the emergency. The employer shall recertify that the employee is critical every
six months.

(3) The date of the retiree's retirement is more than thirty days prior to the
initial declaration of the state of emergency that he is reemployed to respond to.

(4) The retiree's retirement was not based on a disability.

B.(1) Subsection A is applicable to the employment of a retiree only until the
last day of the month in which the state of emergency that the retiree is employed to
respond to terminates.

(2) Beginning on the first day of the month following the termination of the
declaration of emergency, the retiree's earnings shall not exceed twenty-five percent

of his final average compensation during such fiscal year and benefits payable to the retiree shall be reduced by the amount in excess of said limit.

(3) Unless the retiree terminates reemployment sooner, enrollment of any retiree in the system pursuant to this Section shall terminate on the last date of the fiscal year in which the state of emergency terminates and the retiree shall be subject to the applicable provisions of this Chapter.

(4) Any retiree who is enrolled under the provisions of this Section is prohibited from being concurrently enrolled under any other reemployment provisions under this Chapter.

C. If on the first day of any Regular Session of the Legislature, a state of emergency has been in effect continuously for more than three hundred and sixty-five days, this Section shall cease to be applicable to the reemployment of retirees pursuant to that state of emergency sixty days after final adjournment of that session.

D. During the period of his return to active service pursuant to this Section, the retiree and his employer shall make contributions to the retirement system as otherwise provided by law, but the retiree shall receive no additional service credit and shall not accrue any additional retirement benefits in the retirement system. Upon termination of active service, the retiree shall, upon application, be refunded the employee contributions paid since reemployment covered by this Section. The refund shall be without interest. The retirement system shall retain the employer contributions.

E. When any retiree returns to active service with an employer pursuant to the provisions of this Section, the employing agency shall, within thirty days thereafter, notify the board of trustees in writing of such employment, the date on which employment commenced, and the declaration authorizing the state of emergency or public health emergency which is the basis for the certification made pursuant to Subsection A of this Section. Upon termination, the agency shall provide the same notice. In addition, the employing agency shall also report to the retirement system within forty-five days after June thirtieth of each year, the names of all

persons being paid by the employing agency and all persons having received a benefit pursuant to the provisions of this Section, along with such individuals' social security numbers, their positions, their designations as part-time or full-time, and the amount of their earnings during the previous fiscal year ending on June thirtieth of the reporting year. Additionally, the employing agency shall transmit a monthly contributions report pursuant to R.S. 11:888(A). Such monthly reports shall be transmitted within thirty days of the last day of each month and shall include the salary paid to each individual to whom this Section applies.

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§1141.1. Reemployment of a retiree during an emergency

A. Notwithstanding R.S. 11:1141(C)(1)(b) or any other provision of law, the retirement benefits of a retiree of the system who engages in employment that would render him eligible for membership in the system shall not be suspended, reduced, delayed, or otherwise affected if all of the following conditions apply:

(1) The reemployment occurs during a state of emergency declared by the governor.

(2) The employer certifies in writing to the retirement system that employment of the retiree is critical to the effectiveness of the employer's response to the emergency. The employer shall recertify that the employee is critical every six months.

(3) The date of the retiree's retirement is more than thirty days prior to the initial declaration of the state of emergency that he is reemployed to respond to.

(4) The retiree's retirement was not based on a disability.

B. (1) This Section is applicable to the employment of a retiree only while the state of emergency that the retiree is employed to respond to is in effect. Once this Section is no longer applicable, a retiree is subject to the other provisions of this Chapter.

(2) Any retiree who is enrolled under the provisions of this Section is prohibited from being concurrently enrolled under any other reemployment provisions under this Chapter.

C. If on the first day of any Regular Session of the Legislature, a state of emergency has been in effect continuously for more than three hundred and sixty-five days, this Section shall cease to be applicable to the reemployment of retirees pursuant to that state of emergency sixty days after final adjournment of that session.

D. During the period of his return to active service pursuant to this Section, the retiree and his employer shall make contributions to the retirement system as otherwise provided by law, but the retiree shall receive no additional service credit and shall not accrue any additional retirement benefits in the retirement system. Upon termination of active service, the retiree shall, upon application, be refunded the employee contributions paid since reemployment covered by this Section. The refund shall be without interest. The retirement system shall retain the employer contributions.

E. When any retiree returns to active service pursuant to this Section with an employer covered by the provisions of this Chapter, the employing agency shall notify the board of trustees in writing within ten days of such employment and the date on which employment began, and the declaration authorizing the state of emergency or public health emergency which is the basis for the certification made pursuant to Subsection A of this Section. Upon termination, the employing agency shall also provide the board with information and notice thereof in writing. In addition to the notice required by this Subsection, the employing agency shall also report to the retirement system within forty-five days after June thirtieth of each year the names of all retired persons being paid by the employing agency, their social security numbers, and the amounts of their earnings during the previous fiscal year ending June thirtieth of the reporting year. Additionally, the employing agency shall transmit a monthly contributions report pursuant to R.S. 11:1201. Such monthly report shall be transmitted by the fifteenth day after the end of each month and shall set forth necessary salary and deduction information as shall be required by the board of trustees.

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§1311.1. Reemployment of a retiree during an emergency

A. Notwithstanding R.S. 11:1311 or any other provision of law, the retirement benefits of a retiree of the system who engages in employment that would render him eligible for membership in the system shall not be suspended, reduced, delayed, or otherwise affected if all of the following conditions apply:

(1) The reemployment occurs during a state of emergency declared by the governor.

(2) The employer certifies in writing to the retirement system that employment of the retiree is critical to the effectiveness of the employer's response to the emergency. The employer shall recertify that the employee is critical every six months.

(3) The date of the retiree's retirement is more than thirty days prior to the initial declaration of the state of emergency to which he is reemployed to respond.

(4) The retiree's retirement was not based on a disability.

B. This Section is applicable to the employment of a retiree only until the date two hundred forty work hours after the expiration of the state of emergency to which the retiree is employed to respond. Once this Section is no longer applicable, a retiree is subject to the other provisions of this Chapter.

C. If on the first day of any Regular Session of the Legislature, a state of emergency has been in effect continuously for more than three hundred sixty five days, this Section shall cease to be applicable to the reemployment of retirees pursuant to that state of emergency sixty days after final adjournment of that session.

D. During the period of his return to active service pursuant to this Section, the retiree and his employer shall make contributions to the retirement system as otherwise provided by law, but the retiree shall receive no additional service credit and shall not accrue any additional retirement benefits in the retirement system. Upon termination of active service, the retiree shall, upon application, be refunded the employee contributions paid since reemployment covered by this Section. The refund shall be without interest. The retirement system shall retain the employer contributions.

E. When any retiree returns to active service with an employer pursuant to the provisions of this Section, the employing agency shall, within thirty days thereafter, notify the board of trustees in writing of such employment, the name, address, and social security number of that retiree, the date on which employment commenced, and the declaration authorizing the state of emergency or public health emergency which is the basis for the certification made pursuant to Subsection A of this Section. Upon termination, the agency shall provide the same notice.

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

Section 3. This Act shall become effective upon signature by the governor or, if not signed by the governor, upon expiration of the time for bills to become law without signature by the governor, as provided in Article III, Section 18 of the Constitution of Louisiana. If vetoed by the governor and subsequently approved by the legislature, this Act shall become effective on the day following such approval.

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 Draft

2020 Second Extraordinary Session

Authorizes reemployment of retirees from the four state retirement systems, during a declared state of emergency, without suspension or reduction of retirement benefits.

Present law provides restrictions and limitations on the reemployment of a retiree from any of the four La. state retirement systems if such reemployment is covered by the same system as follows:

- (1) La. State Employees' Retirement System: Present law provides a reemployed retiree with three options: to have his retirement benefit reduced if his employment earnings exceed a specified amount, to return all received benefits and to become an active member of the retirement system, or to have his benefit suspended during such reemployment.
- (2) Teachers' Retirement System of La.: Present law provides a reemployed retiree with two options: to have his retirement benefit reduced if his employment earnings exceed a specified amount or to have his benefit suspended during such reemployment. Present law provides for other options and circumstances for a retiree who was reemployed prior to July 1, 2020.
- (3) La. School Employees' Retirement System: Present law prohibits reemployment of a retiree for five years after retirement.

- (4) La. State Police Retirement System: Present law provides for suspension of the retirement benefit if employment earnings exceed a specified amount.

Proposed law provides exceptions to present law for all four systems. Authorizes reemployment without any effect on retirement benefits if the following conditions apply to the reemployment:

- (1) The reemployment occurs during a state of emergency declared by the governor.
- (2) The employer certifies in writing to the retirement system that employment of the retiree is critical to the effectiveness of the employer's response to the emergency.
- (3) The date of the retiree's retirement is more than 30 days prior to the initial declaration of the state of emergency that he is reemployed to respond to.
- (4) The retiree's retirement was not based on a disability.

Proposed law provides that the employee and employer make contributions to the retirement systems during such reemployment but service credit is not earned. Provides for refunding of the employee's contributions.

Proposed law provides that if on the first day of any regular session, a state of emergency has been in effect continuously for more than 365 days, proposed law ceases to be applicable to the reemployment of retirees pursuant to that state of emergency 60 days after final adjournment of that session.

Present law prohibits reemployment, by any department of state government, of a state retiree who retired under an early retirement incentive plan for two years after the effective date of his retirement. Proposed law provides an exception to present law if the same two conditions (described above) apply to the reemployment.

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 upon signature of governor or lapse of time for gubernatorial action.

(Amends R.S. 11:149(B); Adds R.S. 11:416.2, 710.2, 1141.1, and 1311.1)