2022 Regular Session

HOUSE BILL NO. 30

## BY REPRESENTATIVE FRIEMAN

## RETIREMENT/TEACHERS: Provides relative to the reemployment of retired teachers in the Teachers' Retirement System of Louisiana

1	AN ACT
2	To amend and reenact R.S. 11:710.1(A)(introductory paragraph), to enact R.S. 11:710.2, and
3	to repeal R.S. 11:710 and 710.1(B), relative to the reemployment of certain teachers
4	in the Teachers' Retirement System of Louisiana; to authorize such reemployment
5	without a suspension or reduction of benefits; to provide for an effective date; and
6	to provide for related matters.
7	Notice of intention to introduce this Act has been published
8	as provided by Article X, Section 29(C) of the Constitution
9	of Louisiana.
10	Be it enacted by the Legislature of Louisiana:
11	Section 1. R.S. 11:710.1(A)(introductory paragraph) is hereby amended and
12	reenacted and R.S. 11:710.2 is hereby enacted to read as follows:
13	§710.1. Employment of retirees on or after July 1, 2020
14	A. Except as otherwise provided in this Section and as provided by R.S.
15	11:710.2 for certain teachers, any retiree who returns to active service with an
16	employer covered by the provisions of this Chapter on or after July 1, 2020, shall for
17	that period of employment choose one of the following irrevocable options, which
18	shall be made in writing and filed with the appropriate officer of the employer:
19	* * *

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CODING: Words in struck through type are deletions from existing law; words <u>underscored</u> are additions.

1	§710.2. Employment of certain retired teachers
2	A. For purposes of this Section, "retiree" means a teacher as defined by R.S.
3	11:701(35)(a)(i) and not excluded from such definition by R.S. 11:701(35)(b) who
4	has retired from this system. The provisions of R.S. 11:710.1 are not applicable to
5	<u>a retiree.</u>
6	B. The retirement benefit of a retiree who returns to active service with an
7	employer covered by the Chapter shall not be suspended or reduced because of his
8	return to active service. During such employment, the employee and employer shall
9	not make contributions to the system. The retiree shall not receive any additional
10	retirement benefits and shall not accrue any additional service credit.
11	C. No person who retires based on a disability is authorized to return to
12	service pursuant to the provisions of this Section. Disability retirees shall be covered
13	by the provisions of law applicable to disability retirees.
14	Section 2. R.S. 11:710 and 710.1(B) are hereby repealed in their entirety.
15	Section 3. The cost of this Act, if any, shall be funded with additional employer
16	contributions in compliance with Article X, Section 29(F) of the Constitution of Louisiana.
17	Section 4. This Act shall become effective on July 1, 2022.

## 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)]

2022 Regular Session

Frieman

Abstract: Authorizes teachers to return to work without a suspension or reduction of retirement benefits.

<u>Present law</u>, generally applicable for retirees who returned to active service with an employer covered by TRSL on or before June 30, 2020, requires suspension of retirement benefits for a retiree of the Teachers' Retirement System of La. (TRSL) who returns to work in a position covered by the system. Provides exceptions. Authorizes a retiree to return to work in specified positions, generally teaching positions, and to continue to receive his benefit; however, the allowable employment earnings of the retiree are capped at 25% of his benefit amount; requires a reduction in the retirement benefit if the cap is exceeded.

<u>Present law</u> provides that a retiree may return to work in specified positions, generally teaching positions, without a reduction or suspension of benefits if there is a critical shortage of properly certified candidates to fill a vacancy in such a position. Provides procedures for establishing that a critical shortage exists.

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Proposed law repeals present law.

<u>Proposed law</u> provides that the retirement benefit of retired teachers shall not be suspended or reduced during reemployment. Provides that neither such retirees nor their employers shall make contributions to the system during such reemployment and the retiree shall not earn service credit. <u>Proposed law</u> is applicable to local public school superintendents and assistant superintendents and employees of a local school board other than school bus drivers, janitors, custodians, or maintenance employees, school bus aides, monitors, or attendants, or anyone who works on a school bus helping with the transportation of school children.

<u>Present law</u> provides that any retiree who returns to active service with an employer covered by TRSL on or after July 1, 2020, shall choose one of the following options:

- (1) Return to work with an allowable employment earnings cap of 25% of his final average compensation with a reduction in the retirement benefit if the cap is exceeded.
- (2) Suspend his benefit, return to work with no employment earnings cap, and begin to accrue a supplemental benefit for the duration of service after reemployment.

<u>Present law</u> authorizes a conversion from option 1 to option 2 once the allowable employment earnings cap of 25% has been met.

<u>Present law</u> provides that any retired member who returns to active service with an employer covered by the provisions of <u>present law</u> shall have his benefit suspended for the duration of his period of reemployment if such reemployment is based on a contract or corporate contract.

<u>Proposed law</u> makes <u>present law</u> applicable to all system retirees except those teachers authorized by <u>proposed law</u> to work without a suspension or reduction of benefits.

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

Effective July 1, 2022.

(Amends R.S. 11:710.1(A)(intro. para); Adds R.S. 11:710.2; Repeals R.S. 11:710 and 710.1(B))