

2025 Regular Session

HOUSE BILL NO. 24

BY REPRESENTATIVES BACALA, ADAMS, BAGLEY, BERAULT, BUTLER, CARPENTER, CARRIER, DEWITT, FREIBERG, HUGHES, KERNER, LAFLEUR, MACK, MCFARLAND, AND ZERINGUE

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

RETIREMENT/TEACHERS: Provides relative to the optional retirement plan in the Teachers' Retirement System of Louisiana

1 AN ACT

2 To amend and R.S. 11:921, 924(2) and (5), 925, 927(B)(2)(b)(introductory paragraph), (c),

3 (d), and (e) and (3)(a) and (b), 928, 931, and 932(B), (C), and (D), to enact R.S.

4 11:721.1(D), 822(A)(11), 932(E), and 933, and to repeal R.S. 11:927(B)(2)(f),

5 relative to the Teachers' Retirement System of Louisiana; to provide for optional

6 participation in the regular retirement plan; to provide for membership on the board

7 of trustees; to provide for the expansion of participation in the optional retirement

8 plan; to provide for eligibility; to provide relative to employer contributions; to

9 provide for implementation; to provide relative to transferring from the optional

10 retirement plan to the regular retirement plan; to provide for an Optional Retirement

11 Plan Advisory Committee; to provide an effective date; and to provide for related

12 matters.

13 Notice of intention to introduce this Act has been published

14 as provided by Article X, Section 29(C) of the Constitution

15 of Louisiana.

16 Be it enacted by the Legislature of Louisiana:

17 Section 1. R.S. 11:921, 924(2) and (5), 925, 927(B)(2)(b)(introductory paragraph),

18 (c), (d), and (e) and (3)(a) and (b), 928, 931, and 932(B), (C), and (D) are hereby amended

1 and reenacted and R.S. 11:721.1(D), 822(A)(11), 932(E), and 933 are hereby enacted to read
2 as follows:

3 §721.1. Option to participate in system

4 * * *

5 D.(1) Notwithstanding any other provision of law to the contrary,
6 membership is optional for each person who is sixty years of age or older at the time
7 of first employment in a position covered by the Teachers' Retirement System of
8 Louisiana and for each person who is fifty-five years of age or older who has credit
9 for at least forty quarters in the Social Security system at the time of first
10 employment in a position covered by the Teachers' Retirement System of Louisiana.

11 (2) The provisions of Paragraph (1) of this Subsection shall not apply to
12 rehired retirees.

13 * * *

14 §822. Members of board of trustees; appointment or election; terms of office;
15 vacancies; compensation

16 A. The board shall consist of such trustees as follows:

17 * * *

18 (11) The commissioner of higher education, ex officio, or his designee.

19 * * *

20 §921. Creation of plan

21 A. There is established an optional retirement plan for the following classes
22 of employees covered by this Subpart who are eligible for membership in the
23 Teachers' Retirement System of Louisiana:

24 (1) The academic and administrative employees of public postsecondary
25 education institutions ~~of higher education.~~

26 (2) The employees of the Board of Regents, Board of ~~Trustees~~ Supervisors
27 ~~for State Colleges and Universities~~ the University of Louisiana System, Board of
28 Supervisors of Louisiana State University and Agricultural and Mechanical College,
29 ~~and~~ Board of Supervisors of Southern University and Agricultural and Mechanical

1 College, and Board of Supervisors of Community and Technical Colleges, or their
2 successors, and any other constitutionally established board which manages public
3 postsecondary education institutions ~~of higher education~~.

4 B. Any person covered by the provisions of ~~Paragraph A(2)~~ Paragraph (A)(2)
5 of this Section shall be required to pay the annual actuarial cost of participating in
6 the optional retirement plan.

7 * * *

8 §924. Criteria for placement of contracts

9 The Board of Trustees of the Teachers' Retirement System of Louisiana shall
10 select no more than three companies from which contracts will be purchased. In
11 setting the criteria for this selection, the board shall consider, among other things, the
12 following:

13 * * *

14 (2) The efficacy of the contracts in the recruitment and retention of
15 employees for the various state public postsecondary education institutions ~~of higher~~
16 ~~education~~ and for the Board of Regents, Board of ~~Trustees~~ Supervisors for ~~State~~
17 ~~Colleges and Universities~~ the University of Louisiana System, Board of Supervisors
18 of Louisiana State University and Agricultural and Mechanical College, ~~and~~ Board
19 of Supervisors of Southern University and Agricultural and Mechanical College, and
20 Board of Supervisors of Community and Technical Colleges, or their successors, and
21 any other constitutionally established board which manages public postsecondary
22 education institutions ~~of higher education~~.

23 * * *

24 (5) The suitability of the rights and benefits to the needs and interests of
25 participating employees and the various state public postsecondary education
26 institutions ~~of higher education~~ and the Board of Regents, Board of ~~Trustees~~
27 Supervisors for ~~State Colleges and Universities~~ the University of Louisiana System,
28 Board of Supervisors of Louisiana State University and Agricultural and Mechanical
29 College, ~~and~~ Board of Supervisors of Southern University and Agricultural and

1 Mechanical College, and Board of Supervisors of Community and Technical
 2 Colleges, or their successors, and any other constitutionally established board which
 3 manages public postsecondary education institutions ~~of higher education~~.

4 * * *

5 §925. Eligibility

6 A. Academic and administrative employees of public postsecondary
 7 education institutions ~~of higher education~~ and employees of the Board of Regents,
 8 Board of ~~Trustees~~ Supervisors for State Colleges and Universities the University of
 9 Louisiana System, Board of Supervisors of Louisiana State University and
 10 Agricultural and Mechanical College, ~~and~~ Board of Supervisors of Southern
 11 University and Agricultural and Mechanical College, and Board of Supervisors of
 12 Community and Technical Colleges or their successors, and any other
 13 constitutionally established board which manages public postsecondary education
 14 institutions ~~of higher education~~ who are current members in the regular retirement
 15 plan of the Teachers' Retirement System of Louisiana may make an irrevocable
 16 election to participate in the optional retirement plan within one hundred eighty days
 17 after the implementation date of the optional retirement plan at their employer
 18 institution or board. Eligible employees who are initially employed on or after the
 19 implementation date at their employer institution or board may make an irrevocable
 20 election to participate in the optional retirement plan within sixty days after their
 21 employment date. Any academic or administrative employee of a public
 22 postsecondary education institution ~~of higher education~~ or employee of the Board of
 23 Regents, Board of ~~Trustees~~ Supervisors for State Colleges and Universities the
 24 University of Louisiana System, Board of Supervisors of Louisiana State University
 25 and Agricultural and Mechanical College, ~~or~~ Board of Supervisors of Southern
 26 University and Agricultural and Mechanical College, or Board of Supervisors of
 27 Community and Technical Colleges, or their successors, and any other
 28 constitutionally established board which manages public postsecondary education
 29 institutions ~~of higher education~~ who is not eligible for membership in the Teachers'

1 Retirement System of Louisiana because of age shall be eligible to participate in the
2 optional retirement plan upon election by such employee. Elections must be made
3 in writing and filed with the appropriate officer of the employer institution or board,
4 who shall forward a copy of the completed election to the Teachers' Retirement
5 System of Louisiana. Current Teachers' Retirement System of Louisiana members'
6 elections will be effective as of the date they are filed. Elections of eligible
7 employees hired on or after the implementation date of the optional retirement plan
8 at their institution or board will be effective as of the date of their employment. If
9 an eligible employee fails to make the election provided for in this Section, he shall
10 become a member of the regular retirement plan of the Teachers' Retirement System
11 of Louisiana in accordance with R.S. 11:721.

12 B. Notwithstanding the provisions of Subsection A of this Section any
13 academic or administrative employee of a public postsecondary education institution
14 ~~of higher education~~ and any employee of the Board of Regents, Board of ~~Trustees~~
15 Supervisors for State Colleges and Universities the University of Louisiana System,
16 Board of Supervisors of Louisiana State University and Agricultural and Mechanical
17 College, ~~and~~ Board of Supervisors of Southern University and Agricultural and
18 Mechanical College, and Board of Supervisors of Community and Technical
19 Colleges, or their successors, and any other constitutionally established board which
20 manages public postsecondary education institutions ~~of higher education~~ who is an
21 active contributing member in the regular retirement plan of the Teachers'
22 Retirement System of Louisiana and who has less than five years of creditable
23 service in the Teachers' Retirement System of Louisiana, may make an irrevocable
24 election to participate in the optional retirement plan and transfer his accumulated
25 employee contributions to the optional retirement plan under the provisions of R.S.
26 11:926(A). The election provided by this Subsection can only be elected by a
27 member prior to attainment of five years of creditable service in the Teachers'
28 Retirement System of Louisiana.

29 C. Any person who is an academic or administrative employee of a public

1 postsecondary education institution ~~of higher education~~ or employee of the Board of
 2 Regents, Board of ~~Trustees~~ Supervisors for ~~State Colleges and Universities~~ the
 3 University of Louisiana System, Board of Supervisors of Louisiana State University
 4 and Agricultural and Mechanical College, ~~or~~ Board of Supervisors of Southern
 5 University and Agricultural and Mechanical College, or Board of Supervisors of
 6 Community and Technical Colleges, or their successors, and any other
 7 constitutionally established board which manages public postsecondary education
 8 institutions ~~of higher education~~ who is not eligible for membership in the Teachers'
 9 Retirement System of Louisiana because he is a part-time, seasonal, or temporary
 10 employee as defined in 26 CFR 31:3121(b)(7)-2, or in any successor regulation, may
 11 make an irrevocable election to participate in the optional retirement plan and
 12 transfer any accumulated employee contributions to the optional retirement plan
 13 under the provisions of R.S. 11:926(A).

* * *

15 §927. Contributions

* * *

17 B.

* * *

19 (2)

* * *

21 (b) Beginning July 1, 2018, each constitutionally established board which
 22 manages public postsecondary education institutions ~~higher education board created~~
 23 ~~by Article VIII of the Constitution of Louisiana~~ and each employer institution and
 24 agency under its supervision and control shall contribute to the Teachers' Retirement
 25 System of Louisiana on behalf of each participant in the optional retirement plan the
 26 sum of:

* * *

28 (c)(i) Each board ~~shall~~ may establish by resolution an amount in excess of
 29 the minimum required by Item (b)(ii) ~~the amount provided pursuant to Items~~

1 ~~(2)(a)(ii) or (b)(ii)~~ of this Paragraph ~~by resolution~~. The amount established shall be
2 the same for all employer institutions and agencies under each board's supervision
3 and control and shall be effective for an entire fiscal year.

4 ~~(d)~~ (ii) For fiscal year ~~2014-2015~~ 2025-2026, each board shall submit to the
5 retirement system such resolution no later than July 15, ~~2014~~ 2025, in order for an
6 amount established pursuant to this ~~Subsection~~ Subparagraph to become effective.
7 For each fiscal year thereafter, the system shall receive such resolution no later than
8 June first in order for a new rate to become effective for the next fiscal year. If the
9 system does not receive a resolution containing a contribution amount by the
10 required deadline, the system shall apply the most recent contribution amount paid
11 by such board or employer institution or the minimum required by Subparagraph (b)
12 of this Paragraph, whichever is greater.

13 ~~(e)~~ (d) Upon receipt of this contribution, the Teachers' Retirement System
14 of Louisiana shall promptly pay over to the appropriate designated company or
15 companies an amount equal to the amount established by the applicable board
16 pursuant to ~~Items (2)(a)(ii) or (b)(ii)~~ Subparagraph (c) of this Paragraph or the
17 minimum required by Item (b)(ii) of this Paragraph, whichever is greater.

18 ~~(f)~~ (e) All amounts paid over to the appropriate designated company or
19 companies pursuant to this Paragraph shall be credited to the participant's contract
20 or contracts. The Teachers' Retirement System of Louisiana shall retain the balance
21 of this contribution for application to the unfunded accrued liability of the system.

22 (3)(a) Beginning July 1, 2014, for each employer that is not a
23 constitutionally established board which manages public postsecondary education
24 institutions ~~higher education board created by Article VIII of the Constitution of~~
25 ~~Louisiana~~ or an employer institution under the supervision and control of such a
26 board, each such employer institution and board shall contribute to the Teachers'
27 Retirement System of Louisiana on behalf of each participant in the optional
28 retirement plan the sum greater of:

29 (i) ~~The amount it would have contributed if the participant were a member~~

1 of the regular retirement plan of the Teachers' Retirement System of Louisiana
2 pursuant to ~~R.S. 11:102(D)(3)~~ The amounts calculated pursuant to R.S.
3 11:102(D)(6)(b), (c), and (d).

4 (ii) ~~The sum of the amounts calculated pursuant to R.S. 11:102(D)(6)(b), (c),~~
5 ~~and (d) plus six~~ Six and two-tenths percent of pay.

6 (b) Upon receipt of this contribution, the Teachers' Retirement System of
7 Louisiana shall promptly pay over to the appropriate designated company or
8 companies an amount equal to: to the amount set forth in Item (a)(ii) of this
9 Paragraph.

10 (i) ~~The employer's portion of the normal cost contribution as determined~~
11 ~~annually by the Public Retirement Systems' Actuarial Committee if payment is~~
12 ~~remitted pursuant to Item (3)(a)(i) of this Paragraph.~~

13 (ii) ~~Six and two-tenths percent of pay if payment is remitted pursuant to Item~~
14 ~~(3)(a)(ii) of this Paragraph.~~

15 * * *

16 §928. Limitations

17 ~~Any~~ Except as provided in R.S. 11:932, any person electing to participate in
18 the optional retirement plan shall always be ineligible for membership in the regular
19 retirement plan of the Teachers' Retirement System of Louisiana even if he is
20 employed in a position covered by the Teachers' Retirement System of Louisiana.
21 If an optional retirement plan participant assumes a position other than as an
22 employee of a public postsecondary education institution ~~of higher education~~ or
23 employee of the Board of Regents, Board of ~~Trustees~~ Supervisors for ~~State Colleges~~
24 ~~and Universities~~ the University of Louisiana System, Board of Supervisors of
25 Louisiana State University and Agricultural and Mechanical College, ~~or~~ Board of
26 Supervisors of Southern University and Agricultural and Mechanical College, or
27 Board of Supervisors of Community and Technical Colleges, or their successors, and
28 any other constitutionally established board which manages public postsecondary
29 education institutions ~~of higher education~~ in a position covered by the Teachers'

1 Retirement System of Louisiana, he shall continue to participate in the optional
 2 retirement plan. If an optional retirement plan participant assumes a position in state
 3 service other than as an employee of a public postsecondary education institution ~~of~~
 4 ~~higher education~~ or employee of the Board of Regents, Board of ~~Trustees~~
 5 Supervisors for State Colleges and Universities the University of Louisiana System,
 6 Board of Supervisors of Louisiana State University and Agricultural and Mechanical
 7 College, ~~or~~ Board of Supervisors of Southern University and Agricultural and
 8 Mechanical College, or Board of Supervisors of Community and Technical Colleges,
 9 or their successors, and any other constitutionally established board which manages
 10 public postsecondary education institutions ~~of higher education~~ in a position not
 11 covered by the Teachers' Retirement System of Louisiana, he must at that time begin
 12 membership in the appropriate retirement system which provides benefits for that
 13 position in state service, other than the Teachers' Retirement System of Louisiana.

* * *

15 §931. Implementation

16 A. The Board of Trustees of the Teachers' Retirement System of Louisiana
 17 shall implement the optional retirement plan no later than March 1, 1990, and the
 18 public institutions of higher education shall implement their optional retirement
 19 plans on July 1, 1990.

20 B. The Board of Regents, Board of ~~Trustees~~ Supervisors ~~for State Colleges~~
 21 ~~and Universities~~ the University of Louisiana System, Board of Supervisors of
 22 Louisiana State University and Agricultural and Mechanical College, ~~and~~ Board of
 23 Supervisors of Southern University and Agricultural and Mechanical College, and
 24 Board of Supervisors of Community and Technical Colleges, or their successors, and
 25 any other constitutionally established board which manages institutions of higher
 26 education shall implement their optional retirement plans no later than July 1, 1998.

27 C. All public postsecondary education institutions not covered by
 28 Subsection A or B of this Section shall implement their optional retirement plans no
 29 later than July 1, 2025.

1 §932. Regular plan membership; irrevocable election

2 * * *

3 B.(1) Notwithstanding any provision of law to the contrary, any participant
4 in the optional retirement plan whose first employment making him eligible for
5 participation in the optional retirement plan occurred on or before July 31, 2020, who
6 was not an actively employed participant in the optional retirement plan on June 30,
7 2024, and who, notwithstanding his participation in the optional retirement plan, is
8 employed on or after July 1, 2024, in a position that would otherwise make such
9 participant eligible for membership in the regular retirement plan of the Teachers'
10 Retirement System of Louisiana, may make an irrevocable election to become a
11 member of the regular retirement plan of the Teachers' Retirement System of
12 Louisiana. The election shall be made in writing in a manner prescribed by the
13 system and received by the system by the later of:

14 (a) September 2, 2025.

15 (b) Sixty days after the date of the participant's first employment occurring
16 on or after July 1, 2024, in a position that would otherwise make him eligible for
17 membership in the regular retirement plan of the Teachers' Retirement System of
18 Louisiana.

19 (2) For a participant making the election, all contributions to the optional
20 retirement plan from the participant and from his employer shall cease on the last
21 day of the month following the month in which the system receives the election.
22 Beginning on the first day of the following month, the participant shall begin
23 contributing to and accruing benefits in the regular retirement plan of the Teachers'
24 Retirement System of Louisiana as a member first eligible for membership in a state
25 system on that date. The person's employing agency shall pay the system the
26 contributions required pursuant to R.S. 11:102.

27 C.(1) Notwithstanding any provision of law to the contrary, any active
28 contributing participant in the optional retirement plan whose first employment
29 making him eligible for participation in the optional retirement plan occurred on or

1 after August 1, 2020, and who, notwithstanding participation in the optional
2 retirement plan, is otherwise eligible for membership in the regular retirement plan
3 of the Teachers' Retirement System of Louisiana may make an irrevocable election
4 to become a member of the regular retirement plan of the Teachers' Retirement
5 System of Louisiana. The election shall be made in writing in a manner prescribed
6 by the system and shall be received by the retirement system within ~~five~~ seven years
7 of the participant's first employment making him eligible for participation in the
8 optional retirement plan.

9 (2) For a participant making the election, all contributions to the optional
10 retirement plan from the participant and from his employer shall cease on the last
11 day of the month following the month in which the system receives the election.
12 Beginning on the first day of the following month, the participant shall begin
13 contributing to and accruing benefits in the regular retirement plan of the Teachers'
14 Retirement System of Louisiana as a member first eligible for membership in a state
15 system on that date. The person's employing agency shall pay the system the
16 contributions required pursuant to R.S. 11:102.

17 ~~€~~ D. Any and all distributions from the optional retirement plan to a
18 participant who made the election provided for in this Section shall be in accordance
19 with R.S. 11:929.

20 ~~Đ~~ E. If any participant making an election to become a member of the
21 regular retirement plan of the Teachers' Retirement System of Louisiana has, at the
22 time of such election, prior service in the regular retirement plan, the prior service
23 shall be used for calculation of benefits only and shall not be used to attain eligibility
24 for any purpose, including but not limited to retirement, disability, or survivor
25 benefits.

26 §933. Optional Retirement Plan Advisory Committee

27 A. There is hereby established an advisory committee, to be known as the
28 Optional Retirement Plan Advisory Committee.

29 B. The advisory committee shall be comprised of the following members:

1 (1) The president of each constitutionally established board which manages
2 public postsecondary education institutions shall select one faculty member from
3 among the faculty members of the institutions under the management of the board
4 to be a member of the advisory committee. The person selected shall be a participant
5 in the optional retirement plan established by R.S. 11:921, et seq.

6 (2) The president of each constitutionally established board which manages
7 public postsecondary education institutions shall select one nonfaculty unclassified
8 staff member from among the nonfaculty unclassified staff members of the
9 institutions under the management of the board to be a member of the advisory
10 committee. The person selected shall be a participant in the optional retirement plan
11 established by R.S. 11:921, et seq.

12 (3) The commissioner of higher education shall select one member to
13 represent participants in the optional retirement plan who are not employed by a
14 public postsecondary education institution. The person selected shall be a
15 participant in the optional retirement plan established by R.S. 11:921, et seq.

16 C. Members shall serve without compensation but may be reimbursed for
17 expenses as provided by the appointing authority.

18 D. The advisory committee shall:

19 (1) Provide information and feedback to the Board of Trustees for the
20 Teachers' Retirement System of Louisiana related to:

21 (a) Optional Retirement Plan terms.

22 (b) Vendor selection.

23 (c) Administrative fees.

24 (d) Investments.

25 (2) Provide regular updates to optional retirement plan participants.

26 E. Each entity represented by a member of the advisory committee shall
27 provide clerical staff and clerical support as requested by the advisory committee in
28 fulfillment of the duties of the advisory committee.

29 Section 2. R.S. 11:927(B)(2)(f) is hereby repealed in its entirety.

1 Section 3. The cost of this Act, if any, shall be funded with additional employer
 2 contributions in compliance with Article X, Section 29(F) of the Constitution of Louisiana.

3 Section 4. This Act shall become effective on July 1, 2025.

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 24 Re-Reengrossed

2025 Regular Session

Bacala

Abstract: Provides relative to the Teachers' Retirement System of La. (TRSL) including provisions for: opting out of the retirement system; optional retirement plan (ORP) participation, eligibility, employer contribution rate, and implementation of the plan; election to move from the ORP to the regular retirement plan; and the ORP Advisory Committee.

Membership

Present law provides for optional participation in TRSL for certain members.

Proposed law additionally provides that membership in the system is optional for those who:

- (1) Are 60 years of age or older.
- (2) Are 55 years of age or older with 40 quarters in Social Security.

Board of Trustees

Present law provides that the TRSL board is composed of:

- (1) Six ex officio members.
- (2) Seven members elected form districts throughout the state.
- (3) Two retiree representatives.
- (4) A member of the state colleges and universities.

Proposed law adds the commissioner of higher education or his designee as an ex officio member.

Optional Retirement Plan (ORP)

Present law provides for the creation of the ORP. Provides employees eligible for membership in the ORP are as follows:

- (1) Academic and administrative employees of public postsecondary education institutions.
- (2) Employees of the Board of Regents, the Board of Supervisors for the University of La. System, the Board of Supervisors of La. State University Ag. and Mechanical College, and the Board of Supervisors of Southern University Ag. and Mechanical College.

Proposed law retains present law.

Proposed law adds the Board of Supervisors of Community and Technical Colleges.

Present law requires the TRSL board of trustees to select no more than three companies from which contracts will be purchased.

Present law provides for the efficacy of contracts in the recruitment and retention of employees for the following:

- (1) Various state public postsecondary education institutions.
- (2) Board of Regents.
- (3) Board of Supervisors for the University of La. System.
- (4) Board of Supervisors of La. State University Ag. and Mechanical College.
- (5) Board of Supervisors of Southern University Ag. and Mechanical College.
- (6) Any other constitutionally established board which manages public postsecondary education institutions.

Proposed law retains present law.

Proposed law adds the Board of Supervisors of Community and Technical Colleges.

Present law provides for the suitability or rights and benefits to the needs of participating employees of:

- (1) Various state public postsecondary education institutions.
- (2) Board of Regents.
- (3) Board of Supervisors for the University of La. System.
- (4) Board of Supervisors of La. State University Ag. and Mechanical College.
- (5) Board of Supervisors of Southern University Ag. and Mechanical College.
- (6) Any other constitutionally established board which manages public postsecondary education institutions.

Proposed law retains present law.

Proposed law adds the Board of Supervisors of Community and Technical Colleges.

ORP Eligible Employees

Present law provides for the eligibility of employees employed by the following to participate in the ORP:

- (1) Various state public postsecondary education institutions.
- (2) Board of Regents.
- (3) Board of Supervisors for the University of La. System.

- (4) Board of Supervisors of La. State University Ag. and Mechanical College.
- (5) Board of Supervisors of Southern University Ag. and Mechanical College.
- (6) Any other constitutionally established board which manages public postsecondary education institutions.

Proposed law retains present law.

Proposed law adds the Board of Supervisors of Community and Technical Colleges.

Present law provides that if employees choose to participate in the ORP, the irrevocable election must be made 180 days after the implementation date at their employer institution or board.

Present law allows employees of the following institutions or boards the opportunity to elect to participate in the ORP within 60 days after employment:

- (1) Various state public postsecondary education institutions.
- (2) Board of Regents.
- (3) Board of Supervisors for the University of La. System.
- (4) Board of Supervisors of La. State University Ag. and Mechanical College.
- (5) Board of Supervisors of Southern University Ag. and Mechanical College.
- (6) Any other constitutionally established board which manages public postsecondary education institutions.

Proposed law retains present law.

Proposed law adds the Board of Supervisors of Community and Technical Colleges.

Present law allows an employee of the following institutions or boards who is an active contributing member in the TRSL regular retirement plan with less than five years of service the opportunity to make the irrevocable election to participate in the ORP and transfer all accumulated employee contributions to his ORP account:

- (1) Various state public postsecondary education institutions.
- (2) Board of Regents.
- (3) Board of Supervisors for the University of La. System.
- (4) Board of Supervisors of La. State University Ag. and Mechanical College.
- (5) Board of Supervisors of Southern University Ag. and Mechanical College.
- (6) Any other constitutionally established board which manages public postsecondary education institutions.

Proposed law retains present law.

Proposed law adds the Board of Supervisors of Community and Technical Colleges.

ORP Employer Rate

Present law requires, beginning July 1, 2018, each constitutionally established board that manages postsecondary education institutions and each employer institution and agency to contribute to TRSL the following amounts:

- (1) An amount calculated in accordance with present law.
- (2) An amount not less than 6.2% of pay.

Present law further authorizes each board to establish an amount as provided for in present law by resolution. Provides the amount established is effective for an entire fiscal year.

Proposed law provides for fiscal year 2025-2026, each board is to submit to the retirement system no later than July 15, 2025, an amount established in present law for the next fiscal year.

Present law requires each employer that is not a higher education board created by present constitution (Art. VIII) or an employer institution under the supervision and control of such board to contribute to TRSL the greater of:

- (1) An amount it would have contributed in accordance with present law.
- (2) The sum of amounts calculated pursuant to present law.

Proposed law provides the contributions are the sum of:

- (1) The amounts calculated as provided in present law.
- (2) 6.2% of pay.

Present law requires TRSL to pay to the appropriate company the amount equal to:

- (1) The employer's portion of the normal cost as determined by the Public Retirement Systems' Actuarial Committee pursuant to present law.
- (2) 6.2% of pay pursuant to present law.

Proposed law requires the pay to be equal to an amount pursuant to present law.

ORP Membership

Present law provides that a participant in the ORP is not eligible for membership in the TRSL regular retirement plan even if he is employed in a position covered by TRSL.

Present law provides that if an ORP participant assumes a position that is not an employee of the following, he continues to participate in the ORP:

- (1) Various state public postsecondary education institutions.
- (2) Board of Regents.
- (3) Board of Supervisors for the University of La. System.
- (4) Board of Supervisors of La. State University Ag. and Mechanical College.
- (5) Board of Supervisors of Southern University Ag. and Mechanical College.

- (6) Any other constitutionally established board which manages public postsecondary education institutions.

Proposed law retains present law.

Proposed law adds the Board of Supervisors of Community and Technical Colleges.

Present law provides that if a participant becomes employed by any of the following, in a position covered by another retirement system, he must begin membership in that system:

- (1) Various state public postsecondary education institutions.
- (2) Board of Regents.
- (3) Board of Supervisors for the University of La. System.
- (4) Board of Supervisors of La. State University Ag. and Mechanical College.
- (5) Board of Supervisors of Southern University Ag. and Mechanical College.
- (6) Any other constitutionally established board which manages public postsecondary education institutions.

Proposed law retains present law.

Proposed law adds the Board of Supervisors of Community and Technical Colleges.

Proposed law provides that a participant of the ORP who first became eligible on or before July 31, 2020, and who was not an actively employed participant in the ORP on June 30, 2024, and is employed on or after July 1, 2024, in a position making him eligible for participation in the regular retirement plan of TRSL may irrevocably elect to become a member of the regular retirement plan of TRSL.

Proposed law requires the election to participate in the regular retirement plan of TRSL to be made by the later of:

- (1) Sept. 2, 2025.
- (2) 60 days after the date of the participants first participation or after July 1, 2024, in a position that would otherwise make him eligible for membership in the regular retirement plan of TRSL

ORP Implementation

Present law provides for the implementation of the ORP for the TRSL board of trustees and public institutions of higher education on July 1, 1990. Provides that no later than July 1, 1998, the ORP is implemented by the following:

- (1) Various state public postsecondary education institutions.
- (2) Board of Regents.
- (3) Board of Supervisors for the University of La. System.
- (4) Board of Supervisors of La. State University Ag. and Mechanical College.
- (5) Board of Supervisors of Southern University Ag. and Mechanical College.

- (6) Any other constitutionally established board which manages public postsecondary education institutions.

Proposed law retains present law.

Proposed law requires the ORP to be implemented by postsecondary education institutions not covered by present law no later than July 1, 2025.

Present law provides any active contributing participant in the ORP, whose first employment made him eligible for participation in the ORP on or after August 1, 2020, and who is otherwise eligible for membership in the regular retirement plan of the TRSL may irrevocably elect to become a member of the TRSL regular retirement plan.

Proposed law retains present law.

Transfer From ORP to Regular Retirement Plan

Present law requires election be made in writing and received by the retirement system within five years of participant's first employment making him eligible for membership in the ORP.

Proposed law increases time period to seven years.

ORP Advisory Committee

Proposed law provides for the creation of the ORP Advisory Committee.

Proposed law requires the committee to be composed of the following members who must be participants in the ORP:

- (1) One faculty member from among the faculty members selected by the president of each board which manages public postsecondary education institutions.
- (2) One unclassified non-faculty member from among the unclassified non-faculty members selected by the president of each board which manages public postsecondary education institutions.
- (3) One member selected by the commissioner of higher education not employed by a public postsecondary education institution.

Proposed law requires members to serve without compensation, but provides they may be reimbursed for expenses by the appointing authority.

Proposed law requires the committee to do the following:

- (1) Provide information and feedback to the TRSL board of trustees related to:
 - (a) ORP terms.
 - (b) Vendor selection.
 - (c) Administrative fees.
 - (d) Investments.
- (2) Provide regular updates to ORP participants.

Proposed law requires each entity represented to provide clerical and support staff as

requested by the committee.

Proposed law makes technical changes throughout present law.

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

Effective July 1, 2025.

(Amends R.S. 11:921, 924(2) and (5), 925, 927(B)(2)(b)(intro. para.), (c), (d), and (e) and (3)(a) and (b), 928, 931, and 932(B), (C), and (D); Adds R.S. 11:721.1(D), 822(A)(11), 932(E), and 933; Repeals R.S. 11:927(B)(2)(f))

Summary of Amendments Adopted by House

The Committee Amendments Proposed by House Committee on Retirement to the original bill:

1. Allow a member of the ORP who left a position covered by the system and later became employed in a position covered by the system to choose to join the regular retirement plan of TRSL.
2. Add the commissioner of higher education or his designee as an ex officio member of the TRSL board of trustees.
3. Make technical changes.

The Committee Amendments Proposed by House Committee on Appropriations to the engrossed bill:

1. Remove language authorizing a minimum ORP employer contribution rate of eight percent after July 1, 2025.
2. Make technical changes.

The House Floor Amendments to the reengrossed bill:

1. Add present law relative to an optional retirement plan (ORP) participant and employer contributions moving from the participant's ORP account to the regular retirement plan within Teachers' Retirement System of Louisiana upon electing to cease participation in the ORP in order to participate in the regular retirement plan.
2. Make technical changes.