

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

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

1 §721.1. Option to participate in system

2 * * *

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

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

11 * * *

12 §822. Members of board of trustees; appointment or election; terms of office;
13 vacancies; compensation

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

15 * * *

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

17 * * *

18 §921. Creation of plan

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

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

24 (2) The employees of the Board of Regents, Board of ~~Trustees~~ Supervisors
25 ~~for State Colleges and Universities~~ the University of Louisiana System, Board of
26 Supervisors of Louisiana State University and Agricultural and Mechanical College,
27 ~~and~~ Board of Supervisors of Southern University and Agricultural and Mechanical
28 College, and Board of Supervisors of Community and Technical Colleges, or their
29 successors, and any other constitutionally established board which manages public
30 postsecondary education institutions ~~of higher education.~~

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

4 * * *

5 §924. Criteria for placement of contracts

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

10 * * *

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

20 * * *

21 (5) The suitability of the rights and benefits to the needs and interests of
22 participating employees and the various state public postsecondary education
23 institutions ~~of higher education~~ and the Board of Regents, Board of ~~Trustees~~
24 Supervisors for ~~State Colleges and Universities~~ the University of Louisiana System,
25 Board of Supervisors of Louisiana State University and Agricultural and Mechanical
26 College, ~~and~~ Board of Supervisors of Southern University and Agricultural and
27 Mechanical College, and Board of Supervisors of Community and Technical
28 Colleges, or their successors, and any other constitutionally established board which
29 manages public postsecondary education institutions ~~of higher education~~.

30 * * *

1 §925. Eligibility

2 A. Academic and administrative employees of public postsecondary

3 education institutions ~~of higher education~~ and employees of the Board of Regents,

4 Board of ~~Trustees~~ Supervisors for ~~State Colleges and Universities~~ the University of

5 Louisiana System, Board of Supervisors of Louisiana State University and

6 Agricultural and Mechanical College, ~~and~~ Board of Supervisors of Southern

7 University and Agricultural and Mechanical College, and Board of Supervisors of

8 Community and Technical Colleges or their successors, and any other

9 constitutionally established board which manages public postsecondary education

10 institutions ~~of higher education~~ who are current members in the regular retirement

11 plan of the Teachers' Retirement System of Louisiana may make an irrevocable

12 election to participate in the optional retirement plan within one hundred eighty days

13 after the implementation date of the optional retirement plan at their employer

14 institution or board. Eligible employees who are initially employed on or after the

15 implementation date at their employer institution or board may make an irrevocable

16 election to participate in the optional retirement plan within sixty days after their

17 employment date. Any academic or administrative employee of a public

18 postsecondary education institution ~~of higher education~~ or employee of the Board of

19 Regents, Board of ~~Trustees~~ Supervisors for ~~State Colleges and Universities~~ the

20 University of Louisiana System, Board of Supervisors of Louisiana State University

21 and Agricultural and Mechanical College, ~~or~~ Board of Supervisors of Southern

22 University and Agricultural and Mechanical College, or Board of Supervisors of

23 Community and Technical Colleges, or their successors, and any other

24 constitutionally established board which manages public postsecondary education

25 institutions ~~of higher education~~ who is not eligible for membership in the Teachers'

26 Retirement System of Louisiana because of age shall be eligible to participate in the

27 optional retirement plan upon election by such employee. Elections must be made

28 in writing and filed with the appropriate officer of the employer institution or board,

29 who shall forward a copy of the completed election to the Teachers' Retirement

30 System of Louisiana. Current Teachers' Retirement System of Louisiana members'

1 elections will be effective as of the date they are filed. Elections of eligible
 2 employees hired on or after the implementation date of the optional retirement plan
 3 at their institution or board will be effective as of the date of their employment. If
 4 an eligible employee fails to make the election provided for in this Section, he shall
 5 become a member of the regular retirement plan of the Teachers' Retirement System
 6 of Louisiana in accordance with R.S. 11:721.

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

24 C. Any person who is an academic or administrative employee of a public
 25 postsecondary education institution ~~of higher education~~ or employee of the Board of
 26 Regents, Board of ~~Trustees~~ Supervisors for State Colleges and Universities ~~the~~
 27 University of Louisiana System, Board of Supervisors of Louisiana State University
 28 and Agricultural and Mechanical College, ~~or~~ Board of Supervisors of Southern
 29 University and Agricultural and Mechanical College, or Board of Supervisors of
 30 Community and Technical Colleges, or their successors, and any other

1 constitutionally established board which manages public postsecondary education
 2 institutions ~~of higher education~~ who is not eligible for membership in the Teachers'
 3 Retirement System of Louisiana because he is a part-time, seasonal, or temporary
 4 employee as defined in 26 CFR 31:3121(b)(7)-2, or in any successor regulation, may
 5 make an irrevocable election to participate in the optional retirement plan and
 6 transfer any accumulated employee contributions to the optional retirement plan
 7 under the provisions of R.S. 11:926(A).

8 * * *

9 §927. Contributions

10 * * *

11 B.

12 * * *

13 (2)

14 * * *

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

21 * * *

22 (c)(i) Each board ~~shall~~ may establish by resolution an amount in excess of
 23 the minimum required by Item (b)(ii) ~~the amount provided pursuant to Items~~
 24 ~~(2)(a)(ii) or (b)(ii)~~ of this Paragraph by resolution. The amount established shall be
 25 the same for all employer institutions and agencies under each board's supervision
 26 and control and shall be effective for an entire fiscal year.

27 (d) (ii) For fiscal year ~~2014-2015~~ 2025-2026, each board shall submit to the
 28 retirement system such resolution no later than July 15, ~~2014~~ 2025, in order for an
 29 amount established pursuant to this ~~Subsection~~ Subparagraph to become effective.
 30 For each fiscal year thereafter, the system shall receive such resolution no later than

1 June first in order for a new rate to become effective for the next fiscal year. If the
 2 system does not receive a resolution containing a contribution amount by the
 3 required deadline, the system shall apply the most recent contribution amount paid
 4 by such board or employer institution or the minimum required by Subparagraph (b)
 5 of this Paragraph, whichever is greater.

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

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

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

22 (i) ~~The amount it would have contributed if the participant were a member~~
 23 ~~of the regular retirement plan of the Teachers' Retirement System of Louisiana~~
 24 ~~pursuant to R.S. 11:102(D)(3)~~ The amounts calculated pursuant to R.S.
 25 11:102(D)(6)(b), (c), and (d).

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

28 (b) Upon receipt of this contribution, the Teachers' Retirement System of
 29 Louisiana shall promptly pay over to the appropriate designated company or
 30 companies an amount equal ~~to:~~ to the amount set forth in Item (a)(ii) of this

1 Paragraph.

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

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

7 * * *

8 §928. Limitations

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

1 member of the regular retirement plan of the Teachers' Retirement System of
2 Louisiana. The election shall be made in writing in a manner prescribed by the
3 system and received by the system by the later of:

4 (a) September 2, 2025.

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

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 C.(1) Notwithstanding any provision of law to the contrary, any active
18 contributing participant in the optional retirement plan whose first employment
19 making him eligible for participation in the optional retirement plan occurred on or
20 after August 1, 2020, and who, notwithstanding participation in the optional
21 retirement plan, is otherwise eligible for membership in the regular retirement plan
22 of the Teachers' Retirement System of Louisiana may make an irrevocable election
23 to become a member of the regular retirement plan of the Teachers' Retirement
24 System of Louisiana. The election shall be made in writing in a manner prescribed
25 by the system and shall be received by the retirement system within ~~five~~ seven years
26 of the participant's first employment making him eligible for participation in the
27 optional retirement plan.

28 (2) For a participant making the election, all contributions to the optional
29 retirement plan from the participant and from his employer shall cease on the last
30 day of the month following the month in which the system receives the election.

1 Beginning on the first day of the following month, the participant shall begin
 2 contributing to and accruing benefits in the regular retirement plan of the Teachers'
 3 Retirement System of Louisiana as a member first eligible for membership in a state
 4 system on that date. The person's employing agency shall pay the system the
 5 contributions required pursuant to R.S. 11:102.

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

9 ~~Ð~~ E. If any participant making an election to become a member of the
 10 regular retirement plan of the Teachers' Retirement System of Louisiana has, at the
 11 time of such election, prior service in the regular retirement plan, the prior service
 12 shall be used for calculation of benefits only and shall not be used to attain eligibility
 13 for any purpose, including but not limited to retirement, disability, or survivor
 14 benefits.

15 §933. Optional Retirement Plan Advisory Committee

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

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

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

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

30 (3) The commissioner of higher education shall select one member to

1 represent participants in the optional retirement plan who are not employed by a
2 public postsecondary education institution. The person selected shall be a
3 participant in the optional retirement plan established by R.S. 11:921, et seq.

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

6 D. The advisory committee shall:

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

9 (a) Optional Retirement Plan terms.

10 (b) Vendor selection.

11 (c) Administrative fees.

12 (d) Investments.

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

14 E. Each entity represented by a member of the advisory committee shall
15 provide clerical staff and clerical support as requested by the advisory committee in
16 fulfillment of the duties of the advisory committee.

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

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

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

SPEAKER OF THE HOUSE OF REPRESENTATIVES

PRESIDENT OF THE SENATE

GOVERNOR OF THE STATE OF LOUISIANA

APPROVED: _____