

2025 Regular Session

HOUSE BILL NO. 19

BY REPRESENTATIVES KERNER, CHASSION, DEWITT, HORTON, MIKE  
JOHNSON, MOORE, AND TAYLOR AND SENATORS BARROW, CARTER,  
CONNICK, HENRY, JACKSON-ANDREWS, MCMATH, AND PRICE

AN ACT

To amend and reenact R.S. 11:221(A)(2) and (C)(2), 2256(E)(1) and (2), and 2257(A), (C),  
(E), and (G)(3)(a) and to enact R.S. 11:2257(L), 2257.1, and 2260(A)(9)(b)(v),  
relative to the Firefighters' Retirement System; to provide for the administration and  
benefits of the system; to provide relative to the exemption of certain disability  
retirees from required reports and benefits reduction; to provide for the refund of  
employee contributions; to provide relative to the participation period for,  
contributions payable during, and investment of account funds after participation in  
the Deferred Retirement Option Plan; to provide for recovery of costs associated  
with reporting of employee contributions; and to provide for related matters.

Notice of intention to introduce this Act has been published  
as provided by Article X, Section 29(C) of the Constitution  
of Louisiana.

Be it enacted by the Legislature of Louisiana:

Section 1. R.S. 11:221(A)(2) and (C)(2), 2256(E)(1) and (2), and 2257(A), (C), (E),  
and (G)(3)(a) are hereby amended and reenacted and R.S. 11:2257(L), 2257.1, and  
2260(A)(9)(b)(v) are hereby enacted to read as follows:

§221. Authority of retirement boards to modify benefits; earnings statements

A.

\* \* \*

(2) Notwithstanding the provisions of this Subsection, any disability retiree of the Municipal Police Employees' Retirement System or Firefighters' Retirement System who has attained the age of sixty-two years, or any member of the Municipal Police Employees Retirement System who was a full-time police officer, who is a disability beneficiary, and whose disability was caused while the police officer suffered a bilateral knee injury disability while the police officer was in the discharge of his duties shall not have his benefit reduced as a result of any earned income attributable to gainful employment. Such earned income shall not be considered or included in any calculation otherwise required by Paragraph (1) of this Subsection. No funds derived from the assessments against insurers pursuant to R.S. 22:1476 shall be used to pay any increased costs or increase in liability of the system resulting from inclusion of disability retirees who have attained the age of sixty-two in the provisions of this Paragraph.

\* \* \*

C.

\* \* \*

(2) Every disability retiree of the Municipal Police Employees' Retirement System or Firefighters' Retirement System who has attained the age of sixty-two years shall be exempt from the provisions of this Subsection. No funds derived from the assessments against insurers pursuant to R.S. 22:1476 shall be used to pay any increased costs or increase in liability of the system resulting from the provisions of this Paragraph.

\* \* \*

§2256. Benefits; refund of contributions, application, and payment

\* \* \*

E.(1) Any member who ceases to be an employee, except by death or retirement under the provisions of this ~~Subpart~~ Chapter, may apply for and obtain a

1 refund of the amount of the accumulated contributions on deposit in his individual  
2 account in the Annuity Savings Fund. No refund shall be payable to any applicant  
3 if the applicant becomes employed again as an employee as defined in ~~R.S.~~  
4 ~~11:2252(9)~~ R.S. 11:2252 prior to the processing of his refund request by the  
5 retirement system.

6 (2) In order to obtain a refund, the member must complete and submit ~~an~~ the  
7 refund of accumulated contributions application form furnished by the system. After  
8 receipt of the completed refund of accumulated contributions application form by the  
9 board of trustees, the employee shall be refunded the employee contributions paid  
10 during the time in which he was employed. However, no refund shall be issued  
11 sooner than thirty days after the member's termination or resignation. The refund  
12 shall be without interest. The retirement system shall retain the employer  
13 contributions. The member's application form termination or resignation date must  
14 be certified by the employer but no earlier than thirty days after termination or  
15 resignation.

16 \* \* \*

17 §2257. Deferred Retirement Option Plan

18 A. In lieu of terminating employment and accepting a service retirement  
19 allowance under R.S. 11:2256, any member of this system who has not less than  
20 twenty years of creditable service and who is eligible to receive a service retirement  
21 allowance may elect to participate in the ~~deferred retirement option plan~~ Deferred  
22 Retirement Option Plan and defer the receipt of benefits in accordance with the  
23 provisions of this Section.

24 \* \* \*

25 C. The duration of participation in the plan shall be specified and except as  
26 provided in Subsection L of this Section shall not exceed three years.

27 \* \* \*

28 E. Upon the effective date of the commencement of participation in the plan,  
29 membership in the system shall terminate, ~~and neither employee nor employer~~  
30 Employee contributions shall not be payable during participation. No employer

contributions shall be payable for participation through March 31, 2026. Employer  
contributions shall be payable by the employer for any participation on or after April  
1, 2026. For purposes of this Section, compensation and creditable service shall remain as they existed on the effective date of commencement of participation in the plan. The monthly retirement benefits that would have been payable, had the member elected to cease employment and receive a service retirement allowance, shall be paid into the Deferred Retirement Option Plan account. Upon termination of employment, deferred benefits shall be payable as provided by Subsection H of this Section.

\* \* \*

G.

\* \* \*

(3)(a) A member who becomes eligible to participate in the Deferred Retirement Option Plan on or after January 1, 2019, upon termination of participation in the plan, may allocate the balance of his individual account into either or both of the subaccounts provided for in Subparagraph (2)(a) or (b) of this Subsection or a self-directed investment account as provided for in R.S. 11:2257.1. Prior to allocating funds to the subaccount provided for in Subparagraph (2)(b) of this Subsection or his self-directed investment account as provided for in R.S. 2257.1, the member shall comply with the requirements of ~~that~~ Subparagraph (2)(b) of this Subsection or R.S. 11:2257.1, as applicable.

\* \* \*

L.(1) Notwithstanding the provisions of Subsection C of this Section, a member who has earned at least twenty-eight years of service credit and who begins participation in the plan on or after April 1, 2026, may elect a participation period of not more than five years.

(2)(a) Any person who has earned at least twenty-eight years of service credit and who began participation in the plan prior to and is participating on April 1, 2026, may elect to extend his participation period for a total participation of up to five years.

1           **(b) The participant shall notify, in writing, the board of trustees of his**  
2           **election to extend his participation in the Deferred Retirement Option Plan no later**  
3           **than thirty days before the termination of his participation in the plan or April 1,**  
4           **2026, whichever is earlier.**

5           **§2257.1. Self-directed Deferred Retirement Option Plan investment account**

6           **A. The board of trustees shall select a third-party provider to administer a**  
7           **self-directed investment program for Deferred Retirement Option Plan accounts.**

8           **B. The third-party provider selected shall act as an agent of the system for**  
9           **the purpose of investing the balance in the self-directed account of the participant as**  
10          **directed by the participant. The participant shall be given investment options that**  
11          **comply with federal law for the self-directed plan; however, the provider shall have**  
12          **as an investment option a stable value fund that preserves the participant's principal.**

13          **C. Prior to participation in the self-directed Deferred Retirement Option**  
14          **Plan, the participant shall make an irrevocable, written election of his participation**  
15          **in the plan acknowledging the following:**

16               **(1) All funds in his account or accounts shall be transferred to the third-party**  
17               **provider of the self-directed investment account.**

18               **(2) The participant waives his rights as set forth in Article X, Section 29 of**  
19               **the Constitution of Louisiana as it relates to interest earned by his Deferred**  
20               **Retirement Option Plan account.**

21               **(3) That the participant and the provider shall be responsible for complying**  
22               **with all applicable provisions of the Internal Revenue Code and that he and the**  
23               **provider, not the state or the system, bear the sole responsibility and liability for any**  
24               **violation of the Internal Revenue Code that occurs as a result of his participation in**  
25               **the self-directed investment program.**

26               **(4) That there shall be no liability on the part of and no cause of action of**  
27               **any nature shall arise against the state, the system, or its agents or employees for any**  
28               **action taken by the participant for choices he makes in relation to the investments in**  
29               **which he chooses to place his account balance.**

(5) The benefits payable to the participant are not the obligation of the state or the system, and any returns and other rights of the plan are the sole liability and responsibility of the participant and the provider.

\* \* \*

## §2260. Administration

A. Board of trustees:

\* \* \*

(9)

\* \* \*

(b)

\* \* \*

(v) If an employer fails to properly report employee compensation or pay the correct retirement contribution on an employee's pay, the retirement system shall be entitled to recover all actuarial costs associated with the transaction.

\* \* \*

SPEAKER OF THE HOUSE OF REPRESENTATIVES

PRESIDENT OF THE SENATE

GOVERNOR OF THE STATE OF LOUISIANA

APPROVED: \_\_\_\_\_