

2026 Regular Session

HOUSE BILL NO. 1134

BY REPRESENTATIVE BRAUD

RETIREMENT/STATE EMPS: Creates the Back-Deferred Retirement Option Program within the Louisiana State Employees' Retirement System

1 AN ACT

2 To enact R.S. 11:557.1, relative to the Louisiana State Employees' Retirement System; to
3 provide for the creation of a Back-Deferred Retirement Option Program for certain
4 judges; to provide for qualification; to provide for duration of participation; to
5 provide relative to employer and employee contributions; to provide for calculation
6 of benefit; to provide relative to service credit; and 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. 11:557.1 is hereby enacted to read as follows:

12 §557.1. Back-Deferred Retirement Option Program

13 A. There is hereby created an optional retirement benefit program for
14 members of the system called the "Back Deferred Retirement Option Program to
15 Reduce Expenditure by the Early Retirement of Abolished Judgeships" which shall
16 be referred to in this Section as "Back-DROP". This option shall apply only to each
17 judge who is otherwise eligible for retirement under this Subpart, who holds a
18 judgeship designated to be abolished by law upon the retirement of the judge, who
19 voluntarily retires earlier than the expiration of his existing term in order to create
20 significant savings for the state through early termination of the judgeship, and does
21 not seek election to another judicial office.

1 B. In lieu of receiving a retirement benefit pursuant to this Subpart, an active
2 contributing member eligible pursuant to Subsection (A) of this Section with more
3 years of service than are required for service retirement and which are sufficient to
4 qualify for the Back-DROP period selected may make an irrevocable election at the
5 time of retirement to receive a Back-DROP benefit. A member may qualify for
6 Back-DROP only once. A member who has participated in the Deferred Retirement
7 Option Plan shall not be eligible to enroll in the Back-DROP.

8 C. At the time of retirement, the member shall select a Back-DROP period
9 to be specified in whole months. The Back-DROP period shall not exceed the lesser
10 of:

11 (1) Thirty-six months.

12 (2) The number of months of creditable service accrued after the member
13 first became eligible for regular retirement.

14 (3) The number of months remaining on the member's current unexpired
15 elected term of office.

16 D. Employer and employee contributions received by the retirement system
17 during the Back-Drop period and any interest that has accrued on employer and
18 employee contributions received during the period shall remain with the retirement
19 system and shall not be refunded to the member or employer.

20 E. The member's Back-DROP monthly benefit accrual shall be calculated
21 based on the provisions otherwise applicable for retirement under this Subpart
22 subject to the following conditions:

23 (1) For purposes of this Subsection, creditable service shall not include
24 service credit reciprocally recognized under R.S. 11:142.

25 (2) Accrued service at retirement, utilized for the purpose of calculating the
26 Back-DROP monthly benefit, shall be reduced by the Back-DROP period. The
27 regular retirement benefit shall be calculated in the same manner and shall be subject
28 to the same survivor or beneficiary elections, as for any benefit due under this
29 Subpart except that the service credit equal to the months of the Back-DROP election

1 shall be excluded for the member's accrued service credit. The benefit due as elected
2 under this Section shall be payable monthly in the same manner as a benefit
3 otherwise due under this Subpart.

4 (3) Additional employer contributions shall be due from the member's
5 employing court equal to the number of months selected for the Back-DROP benefit
6 at the final salary applied to the contribution rate at the time of retirement and paid
7 at the time of retirement.

8 (4) In addition to the regular monthly retirement due under this Section, the
9 member shall be paid a lump-sum benefit equal to the Back-DROP maximum
10 monthly retirement benefit multiplied by the number of months selected as the Back-
11 DROP period.

12 Section 2. To promote significant savings to the state general fund through early
13 termination of judgeships, any judge holding office on the effective date of this Act whose
14 judicial division or judgeship is designated to be abolished by law in the event of retirement
15 or resignation of the judge and who exercises an irrevocable option to retire under the
16 provisions of this Act prior to July 1, 2027, notwithstanding the provisions of R.S. 11:557.1
17 as enacted by this Act to the contrary, shall be allowed to immediately retire regardless of
18 his age and years of service, provided that such judge does not seek election to any judicial
19 office following retirement. The judge shall receive a maximum annual benefit based on the
20 member's service credit and final average compensation calculated as if the member were
21 eligible for regular service retirement.

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

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 1134 Engrossed

2026 Regular Session

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Abstract: Creates a Back-Deferred Retirement Option Program for certain members within the Louisiana State Employees' Retirement System.

Proposed law provides for the creation of a Back-Deferred Retirement Option Plan (Back-DROP) for certain judges within the La. State Employees' Retirement System (LASERS).

Proposed law provides that only a judge who is eligible for retirement, who holds a judgeship designated to be abolished upon the retirement of the judge, who voluntarily retires earlier than the expiration of his term and who does not seek election to another judicial office may participate in the program.

Proposed law provides that the election to participate in Back-DROP is irrevocable.

Proposed law provides that participation in Back-DROP can not exceed the lesser of:

- (1) 36 months.
- (2) The number of months of service credit accrued after the member first became eligible for regular retirement.
- (3) The number of months remaining on the member's current unexpired elected term of office.

Proposed law provides that employer and employee contributions received by the retirement system during the Back-DROP period and any interest that has accrued on employer and employee contributions received during the period shall remain with the system and shall not be refunded to the member or to the employer.

Proposed law provides that the member's benefit accrual is calculated by the following conditions:

- (1) Creditable service shall not include service credit reciprocally recognized under present law (R.S. 11:142).
- (2) Accrued service at retirement shall be reduced by the Back-DROP period.
- (3) Additional employer contributions are due by the participant's employing court equal to the number of months selected during the Back-DROP period.
- (4) In addition to the monthly benefit provided under proposed law, the member shall be paid a lump-sum equal to the Back-DROP monthly benefit multiplied by the number of months selected for the Back-DROP period. Provides the participant is eligible to elect a lump-sum payment only for the months remaining on the current unexpired term.

Proposed law allows a judge who is otherwise eligible under proposed law to retire pursuant to proposed law regardless of age or years of service if the judge makes the irrevocable option to retire prior to July 1, 2027.

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)).

(Adds R.S. 11:557.1)