

ACT No. 705

2026 Regular Session

HOUSE BILL NO. 1134

BY REPRESENTATIVE BRAUD

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

1 voluntarily retires earlier than the expiration of his existing term in order to create
2 significant savings for the state through early termination of the judgeship, and does
3 not seek election to another judicial office.

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

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

14 (1) Thirty-six months.

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

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

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

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

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

28 (2) Accrued service at retirement, utilized for the purpose of calculating the
29 Back-DROP monthly benefit, shall be reduced by the Back-DROP period. The
30 regular retirement benefit shall be calculated in the same manner and shall be subject

1 to the same survivor or beneficiary elections, as for any benefit due under this
 2 Subpart except that the service credit equal to the months of the Back-DROP election
 3 shall be excluded for the member's accrued service credit. The benefit due as elected
 4 under this Section shall be payable monthly in the same manner as a benefit
 5 otherwise due under this Subpart.

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

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

14 F. In addition to the other limitations of this Section, any election pursuant
 15 to this Section shall be made on or before June 30, 2027.

16 Section 2. To promote significant savings to the state general fund through early
 17 termination of judgeships, any judge holding office on the effective date of this Act whose
 18 judicial division or judgeship is designated to be abolished by law in the event of retirement
 19 or resignation of the judge and who exercises an irrevocable option to retire under the
 20 provisions of this Act prior to December 31, 2026, notwithstanding the provisions of R.S.
 21 11:557.1 as enacted by this Act to the contrary, shall be allowed to immediately retire
 22 regardless of his age and years of service, provided that such judge does not seek election
 23 to any judicial office following retirement. The judge shall receive a maximum annual
 24 benefit based on the member's service credit and final average compensation calculated as
 25 if the member were eligible for regular service retirement. For any judge whose division of
 26 court is specified to be abolished by operation of law only if they made an irrevocable
 27 declaration that they will not seek re-election, the judge shall be deemed to also be subject
 28 to the provisions of this Section if that declaration is made prior to July 1, 2026, and their
 29 retirement is designated to occur pursuant to the provisions of this Act on or before
 30 December 31, 2026.

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.

SPEAKER OF THE HOUSE OF REPRESENTATIVES

PRESIDENT OF THE SENATE

GOVERNOR OF THE STATE OF LOUISIANA

APPROVED: _____