

ACT No. 781

HOUSE BILL NO. 42

BY REPRESENTATIVES BACALA, ADAMS, BOUDREAUX, BROUSSARD, CARPENTER, WILFORD CARTER, EDMONSTON, FREEMAN, FREIBERG, DANA HENRY, MIKE JOHNSON, LAFLEUR, MARCELLE, MILLER, MOORE, MURRAY, STAGNI, TAYLOR, AND WYBLE

1 AN ACT

2 To amend and reenact R.S. 11:927(B)(2)(c)(i) and (d) and (F)(2) and to enact R.S. 11:791
3 and 927(B)(2)(b)(iii) and R.S. 17:3357, relative to the Teachers' Retirement System
4 of Louisiana; to provide for the creation of and participation in a phased retirement
5 program; to provide relative to benefits; to provide relative to participant and
6 employer contributions; to provide relative to the payment of certain administrative
7 fees; to authorize each public postsecondary education management board to develop
8 and implement a phased retirement program; to provide that such program is subject
9 to board policy; to specify minimum provisions for each policy; to provide for
10 implementation; and to provide for related matters.

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

14 Be it enacted by the Legislature of Louisiana:

15 Section 1. R.S. 11:927(B)(2)(c)(i) and (d) and (F)(2) are hereby amended and
16 reenacted and R.S. 11:791 and 927(B)(2)(b)(iii) are hereby enacted to read as follows:

17 §791. Phased retirement program

18 A. Any member of this system who qualifies for phased retirement pursuant
19 to the policy governing his public postsecondary education institution and who has
20 been approved for participation in a phased retirement program in accordance with
21 such policy shall apply for retirement as otherwise provided in this Chapter.

1 Retirement System of Louisiana on behalf of each participant in the optional
2 retirement plan the sum of:

3 * * *

4 (iii) Beginning July 1, 2026, an amount equal to one and eight-tenths percent
5 of pay, subject to appropriation. The Board of Regents shall notify the Teacher's
6 Retirement System of Louisiana whether or not funds have been appropriated for this
7 purpose by the beginning of each fiscal year.

8 (c)(i) Each board may establish by resolution an amount in excess of the sum
9 of the amounts required by Items (b)(ii) and (iii) ~~minimum required by Item (b)(ii)~~
10 of this Paragraph. The amount established shall be the same for all employer
11 institutions and agencies under each board's supervision and control and shall be
12 effective for an entire fiscal year.

13 * * *

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

20 * * *

21 F.

22 * * *

23 (2)(a) The employer's share of the monthly fee shall be the balance
24 remaining after payment of the participant's share.

25 (b) Notwithstanding any provision of Paragraph (1) of this Subsection,
26 beginning July 1, 2027, the employer shall pay the full amount of the monthly fee.

27 Section 2. R.S. 17:3357 is hereby enacted to read as follows:

28 §3357. Phased retirement program

29 A. Each public postsecondary education management board may develop
30 and implement a phased retirement program, referred to in this Section as a

1 "program", for institutions under its management and supervision for the purpose of
2 supporting faculty and staff recruitment and retention, facilitating institutional
3 knowledge transfer, and promoting strategic succession planning.

4 B. If a management board opts to exercise its authority, it shall adopt a
5 policy for this purpose which shall address the specific operational and institutional
6 needs of the applicable system and institutions and provide for, at a minimum, all of
7 the following:

8 (1) A provision that participation in the program is voluntary on the part of
9 an employee.

10 (2) A definition of eligible employee with respect to program participation,
11 which shall include, at a minimum, all of the following:

12 (a) He is eligible for retirement as provided in R.S. 11:761 at the time that
13 he begins participating in the program.

14 (b) He has a minimum of ten years of collective service at a public
15 postsecondary education institution in Louisiana, whether consecutive or
16 nonconsecutive, without a refund of retirement contributions.

17 (c) He has reached the age of fifty-nine and one-half years or older.

18 (3) An employee participation period of not less than twelve months and not
19 more than thirty-six months.

20 (4)(a) A requirement that a written memorandum of understanding be
21 executed between the public postsecondary education system or institution and the
22 employee that specifies workload, schedule, and program expectations.

23 (b) A requirement that the memorandum of understanding be approved by
24 the institution's human resources officer, chief academic officer, and chief fiscal
25 officer, as applicable.

26 (5) A requirement that participant workload be no less than fifty percent
27 effort during program participation.

28 (6) A requirement for formal written acknowledgment by the employee of
29 all program terms and conditions.

1 (7) Provisions governing the reemployment following completion of
2 participation in the program, including a defined waiting period as established by the
3 policy.

4 (8) A prohibition on dual employment in any other position eligible for
5 participation in another retirement system during program participation.

6 C. Each management board may adopt a program policy as provided in this
7 Section prior to July 1, 2027, but shall not begin actual implementation of a program
8 prior to that date.

9 D. Nothing in this Section shall be construed to prohibit a management
10 board, in addition to the policy provided for in this Section, from adopting guidance
11 or implementation measures with respect to a phased retirement program that are
12 consistent with the provisions of this Section and other applicable law.

13 Section 3. The cost of this Act, if any, shall be funded with additional employer
14 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: _____