

Regular Session, 2013

HOUSE BILL NO. 60

BY REPRESENTATIVE TALBOT

Prefiled pursuant to Article III, Section 2(A)(4)(b)(i) of the Constitution of Louisiana.

RETIREMENT/STATE-STWIDE: Relative to state and statewide retirement systems, prohibits certain members who are reemployed after retirement from receiving retirement benefits or accruing additional benefits

1 AN ACT

2 To amend and reenact R.S. 11:149, 416(A)(introductory paragraph), 710(A), (F), and (G),
3 1006, 1007(A)(1), 1311, 1413, 1513(A), (B), and (C)(1), 1631(F), 1762, 1928, 2078,
4 2220(A)(1)(e), (f), and (g)(introductory paragraph), 2256(A)(5) and to enact R.S.
5 11:416(D) and 2175(E)(7), relative to state and statewide retirement systems; to
6 prohibit certain reemployed retirees from receiving retirement benefits or accruing
7 additional benefits during their reemployment; to provide relative to contributions
8 during such period; to provide for reporting requirements; to provide an effective
9 date; and to provide for related matters.

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

13 Be it enacted by the Legislature of Louisiana:

14 Section 1. R.S. 11:149, 416(A)(introductory paragraph), 710(A), (F), and (G), 1006,
15 1007(A)(1), 1311, 1413, 1513(A), (B), and (C)(1), 1631(F), 1762, 1928, 2078,
16 2220(A)(1)(e), (f), and (g)(introductory paragraph), 2256(A)(5) are hereby amended and
17 reenacted and R.S. 11:416(D) and 2175(E)(7) are hereby enacted to read as follows:

1 §149. Reemployment of retirees

2 A. The provisions of this Section are applicable to the following public
3 retirement or pension systems, plans, or funds, hereafter referred to in this Section
4 as "systems":

5 (1) Assessors' Retirement Fund.

6 (2) Clerks' of Court Retirement and Relief Fund.

7 (3) District Attorneys' Retirement System.

8 (4) Firefighters' Retirement System.

9 (5) Louisiana School Employees' Retirement System.

10 (6) Louisiana State Employees' Retirement System.

11 (7) Municipal Employees' Retirement System of Louisiana.

12 (8) Municipal Police Employees' Retirement System.

13 (9) Parochial Employees' Retirement System of Louisiana.

14 (10) Registrars of Voters Employees' Retirement System.

15 (11) Sheriffs' Pension and Relief Fund.

16 (12) State Police Pension and Retirement System.

17 (13) Teachers' Retirement System of Louisiana.

18 B. If a member of a system listed in Subsection A of this Section retires from
19 such system on or after July 1, 2013, and engages in employment which otherwise
20 would render him eligible for membership in any such system, his retirement benefit
21 shall be suspended during the period of his reemployment. During such period of
22 reemployment, neither he nor his employer shall make contributions to the system,
23 nor shall he earn any additional service credit or supplemental benefit. Both the
24 reemployed retiree and his employer shall immediately notify the appropriate system
25 of the retiree's date of reemployment and the estimated duration of reemployment
26 and, upon termination, the date of termination of reemployment. Should failure to
27 give notice of return to employment result in any payment being made in violation
28 of this Section, the employer shall be liable to the system for the repayment of such
29 amounts.

1 provisions of this Section shall apply to any member of this system who retires and
2 returns to active service covered by the provisions of this Chapter.

3 (2) For purposes of this Section, "retired teacher" shall mean any of the
4 following:

5 ~~(1)~~(a) A retired member who returns to active service covered by the
6 provisions of this Chapter as a full-time or part-time classroom teacher who teaches
7 any student in kindergarten through twelfth grade in a critical teacher shortage area.
8 For purposes of this Paragraph, "critical shortage area" shall mean any subject area
9 where a shortage of certified teachers exists in that subject area, subject to the
10 provisions of Subsection F of this Section. For purposes of this Section, "classroom
11 teacher" shall mean any employee, whose position of employment requires a valid
12 Louisiana teaching certificate and who is assigned the professional activities of
13 instructing pupils in courses in classroom situations for which daily pupil attendance
14 figures for the school system are kept. Such classroom situations may include
15 teaching in a school classroom or in other settings such as a home or hospital or other
16 learning situations such as cocurricular activities, which instruction may be provided
17 in person or through an approved medium such as television, radio, computer,
18 Internet, multimedia telephone, and correspondence that is delivered inside or
19 outside the classroom or in other teacher-student settings.

20 ~~(2)~~(b) A retired member who returns to active service as a full-time certified
21 speech therapist, speech pathologist, or audiologist whose position of employment
22 requires a valid Louisiana ancillary certificate approved and issued by the state
23 Department of Education in a school district where a shortage exists.

24 ~~(3)~~(c) A retired member who returns to active service covered by the
25 provisions of this Chapter on or before June 30, 2010.

26 ~~(4)~~(d) A retired member who returns to active service covered by the
27 provisions of this Chapter who retired on or after May 1, 2009, and on or before June
28 30, 2010, in a position requiring a valid Louisiana teaching certificate or a valid
29 Louisiana ancillary certificate.

1 ~~(5)~~(e) A retired member who returns to active service covered by the
2 provisions of this Chapter as a substitute classroom teacher who teaches any student
3 in pre-kindergarten through twelfth grade. For purposes of this Paragraph "substitute
4 classroom teacher" shall mean a classroom teacher employed in a temporary capacity
5 to fill the position of another classroom teacher who is unavailable to teach for any
6 reason. Such substitute classroom teacher's earnings from his return to active service
7 shall not exceed twenty-five percent of his benefit during any fiscal year. If actual
8 earnings exceed this amount in any fiscal year, the benefits payable to the retiree
9 shall be reduced by the amount in excess of twenty-five percent of his benefit.

10 ~~(6)~~(f) A retired member who holds an advanced degree in speech therapy,
11 speech pathology, or audiology.

12 ~~(7)~~(g) A retired member who has a valid Louisiana teaching certificate who
13 returns to active service covered by the provisions of this Chapter who is assigned
14 the professional activities of instructing adults through an adult education or literacy
15 program administered through a public institution of elementary or secondary
16 education. Such individual's earnings from his return to active service shall not
17 exceed twenty-five percent of his benefit during any fiscal year. If actual earnings
18 exceed this amount in any fiscal year, the benefits payable to the retiree shall be
19 reduced by the amount in excess of twenty-five percent of his benefit.

20 ~~(8)~~(h) A retired member who returns to active service covered by the
21 provisions of this Chapter as an adjunct professor. For purposes of this Paragraph
22 "adjunct professor" shall mean part-time faculty, including instructors, assistant
23 professors, associate professors, and professors, assigned the professional activities
24 of instructing pupils or conducting research at a public institution of postsecondary
25 education. Such instruction may be provided in person or through an approved
26 medium such as television, radio, computer, Internet, multimedia telephone, or
27 correspondence and may be delivered inside or outside the classroom or in other
28 teacher-student settings. Such an adjunct professor's earnings from his return to
29 active service shall not exceed twenty-five percent of his benefit during any fiscal

1 year. If actual earnings exceed this amount in any fiscal year, the benefits payable
2 to the retiree shall be reduced by the amount in excess of twenty-five percent of his
3 benefit.

4 * * *

5 F. No "retired teacher" as defined in ~~Paragraph (A)(1)~~ Subparagraph
6 (A)(2)(a) of this Section shall receive a benefit during the period of his
7 reemployment as provided in this Section unless and until the superintendent and
8 personnel director of his employing school have certified to the Board of Elementary
9 and Secondary Education and the board of trustees of this system that a shortage of
10 teachers exists in the critical shortage area in which the retired teacher was hired to
11 teach. Prior to making such certification for any full-time teaching position, the
12 employer shall cause to be advertised in the official journal of the employer's
13 governing authority, on two separate occasions, notice that a shortage of certified
14 teachers exists and the positions sought to be filled. If a certified applicant who is
15 not a retiree applies for an advertised position, such person shall be hired before any
16 certified retired teacher is employed, unless fewer than three teachers have applied
17 for the position each of whom are certified in the critical shortage area being filled.

18 G. No "retired teacher" as defined in ~~Paragraph (A)(1)~~ Subparagraph
19 (A)(2)(a) of this Section shall receive a benefit during the period of his
20 reemployment as provided in this Section unless and until the employing school
21 board has certified to the Board of Elementary and Secondary Education and the
22 board of trustees of this system that a shortage of speech therapists, speech
23 pathologists, or audiologists exists in the school district where reemployed.

24 * * *

25 §1006. Reemployment of retirees

26 A. Any service retiree of this system who retires on or after July 1, 2013,
27 shall be subject to the provisions of R.S. 11:149. Except as provided by R.S. 11:149,
28 the provisions of this Section or R.S. 11:1007 shall apply to any service retiree who
29 returns to active service covered by the provisions of this Chapter.

1 ~~(1)~~ B.(1) Any service retiree of the Louisiana School Employees' Retirement
2 System may be reemployed in any position covered by the system as a full-time,
3 part-time, temporary, or substitute employee subject to the provisions of this Section.

4 (2) The employing agency shall transmit monthly, by the fifteenth day after
5 the end of the month, a report with the name, social security number, and the amount
6 of earnings of the retiree during the previous month.

7 (3) For the purposes of this Section, there shall be an annual cost-of-living
8 adjustment to the average compensation figure used in these computations. This
9 cost-of-living adjustment shall be based upon and directly reflect the annual
10 percentage increase or decrease in the Consumer Price Index for the preceding year.

11 ~~B.C.~~ If the earnings of the reemployed retiree in any fiscal year are in excess
12 of fifty percent of average compensation, an amount equal to the amount of the
13 earnings in excess of fifty percent of average compensation for the fiscal year shall
14 be repaid to the retirement system, either through direct reimbursement to the system
15 or by suspension of benefits; however, the repayment amount shall not exceed the
16 amount of retirement benefits received by the retiree for the fiscal year.

17 ~~C.D.~~ Should any employing agency fail to submit the report required by
18 ~~Subsection A of this Section~~ Paragraph (B)(2) of this Section, the employing agency
19 shall be liable to the retirement system for the repayment of any overpayments to the
20 retiree by the system.

21 ~~D.E.~~ The provisions of this Section shall not apply to any retiree of this
22 system who retired from service as a bus driver, who returns to active service in a
23 full-time position as a bus driver covered by the provisions of this Chapter, and
24 whose employer chooses to reemploy him pursuant to R.S. 11:1007. The full-time
25 reemployment of such retired bus drivers shall be governed by the provisions of that
26 Section.

27 §1007. Employment of retired bus drivers

28 A.(1) Subject to the provisions of Subsection F of this Section, any retiree
29 of this system who was retired from service as a bus driver on or before June 30,

1 2013, and who returns to active service in a full-time position as a bus driver covered
 2 by the provisions of this Chapter within the twelve-month period immediately
 3 following the effective date of his retirement shall have his retirement benefit
 4 suspended for the duration of such active service or the lapse of twelve months after
 5 the effective date of his retirement, whichever occurs first, even if such service is
 6 based on employment by contract or corporate contract. After the period of
 7 suspension of benefits as provided in this Subsection, the retirement benefit of such
 8 retiree shall no longer be suspended.

* * *

10 §1311. Reemployment of retiree

11 A. Any member of this system who retires on or after July 1, 2013, shall be
 12 subject to the provisions of R.S. 11:149. Except as provided by R.S. 11:149, the
 13 provisions of this Section shall apply to any member of this system who retires and
 14 returns to active service covered by the provisions of this Chapter.

15 B.(1) Whenever a retiree returns to employment as a sworn, commissioned
 16 law enforcement officer of the office of state police in any office, section, agency,
 17 commission, or branch of the Department of Public Safety and Corrections as
 18 defined in Title 36 of the Louisiana Revised Statutes of 1950, whether by executive
 19 order or by any other authorized action or authority, such person shall not be entitled
 20 to renew his membership in or become a member of the system. If his earnings in
 21 such employment are more than fifty percent of his average final compensation,
 22 payment of his retirement benefit shall be suspended for every month of such
 23 employment. Upon the subsequent separation of such employment or upon death
 24 prior thereto, the retirement allowance to which he shall then be entitled and the
 25 benefits to which any of his dependents shall then be entitled shall be the same as
 26 those to which he and/or his dependents or beneficiaries were entitled prior to and
 27 at the time of such employment.

28 ~~B.(2)~~ Notwithstanding the provisions of ~~R.S. 11:149(A)~~ R.S. 11:149(C),
 29 whenever a retiree returns to employment with the Department of Public Safety and

1 Corrections in any capacity other than as a sworn, commissioned law enforcement
2 officer of the state police, his employment shall, if otherwise applicable, be
3 governed, with respect to retirement, by the laws governing the Louisiana State
4 Employees' Retirement System.

5 * * *

6 §1413. Reemployment of a retiree

7 ~~A retiree~~ Any member of this system who retires on or after July 1, 2013,
8 shall be subject to the provisions of R.S. 11:149. Except as provided by R.S. 11:149,
9 a member who retired and is receiving retirement benefits from the system may be
10 temporarily reemployed by an assessor but the retiree shall not be or become a
11 member of the system during such reemployment. If the retiree is reemployed in any
12 capacity for more than one hundred working days during any calendar year, or the
13 equivalent thereof, during any calendar year, the benefits payable to the retiree shall
14 be reduced by the amount he earned after thirty working days, or the equivalent
15 thereof. The retiree and the assessor shall immediately notify the board of the date
16 of reemployment, the amount of salary paid, any changes in salary, the number of
17 hours employed per week, the estimated duration of reemployment, and the date of
18 the termination of the reemployment. If the retiree dies during reemployment,
19 benefits shall be paid to any other person as if death occurred regardless of
20 reemployment pursuant to any option which may have been selected by the retiree
21 at the time of retirement.

22 * * *

23 §1513. Reemployment of a retiree

24 A. Any member of this system who retires on or after July 1, 2013, shall be
25 subject to the provisions of R.S. 11:149. Except as provided by R.S. 11:149, the
26 provisions of this Section shall apply to any member of this system who retires and
27 returns to active service covered by the provisions of this Chapter.

28 B.(1) Except as provided in Subsection B of this Section, a retiree Paragraph
29 (2) of this Subsection, a member who retired and is receiving retirement benefits

1 from the system may be temporarily reemployed by a clerk, but the retiree shall not
2 be or become a member of the system during such reemployment. If the retiree is
3 reemployed in any capacity for more than sixty working days, or the equivalent
4 thereof, during any calendar year, the benefits payable to the retiree shall be reduced
5 by the amount he earned after sixty working days, or the equivalent thereof. The
6 retiree and the clerk shall immediately notify the board of the date of reemployment,
7 the amount of salary paid, any changes in salary, the number of hours employed per
8 week, the estimated duration of reemployment, and the date of the termination of the
9 reemployment. If the retiree dies during reemployment, benefits shall be paid to any
10 other person as if death occurred regardless of reemployment pursuant to any option
11 which may have been selected by the retiree at the time of retirement.

12 ~~B.(1)(2)(a)~~ A retiree who has terminated employment and was receiving
13 retirement benefits from the system on January 1, 2007, may be temporarily
14 reemployed by a clerk whose office is located in a parish designated under the
15 Robert T. Stafford Disaster Relief and Emergency Assistance Act as eligible for
16 individual assistance, or individual assistance and public assistance following
17 ~~hurricane~~ Hurricane Katrina or Rita; however, the retiree shall not be or become a
18 member of the system during such reemployment. If the retiree is reemployed by
19 such a clerk in any capacity for more than one hundred eighty working days, or the
20 equivalent thereof, during any calendar year, the benefits payable to the retiree shall
21 be reduced by the amount he earned after one hundred eighty working days, or the
22 equivalent thereof. The retiree and the clerk shall immediately notify the board of
23 the date of reemployment, the amount of salary paid, any changes in salary, the
24 number of hours employed per week, the estimated duration of reemployment, and
25 the date of the termination of the reemployment. If the retiree dies during
26 reemployment, benefits shall be paid to any other person as if death occurred
27 regardless of reemployment pursuant to any option which may have been selected
28 by the retiree at the time of retirement.

1 applicable, based on his average final compensation during his period of
2 reemployment. Upon retirement subsequent to reemployment, his benefit shall be
3 equal to the benefits he was receiving immediately prior to reemployment plus the
4 supplemental benefit earned during his reemployment.

5 (2) Notwithstanding the provisions of Paragraph (1) of this Subsection, if
6 any district attorney or assistant district attorney has retired in accordance with R.S.
7 11:1633(A)(1)(b) or (c) and is reemployed by any district attorney in this state and
8 paid a salary of less than the annual salary provided for in R.S. 16:11(A)(1), his
9 benefit shall not be suspended, and he shall not be considered a member, nor shall
10 he earn additional credit or be required to pay contributions.

11 (3) Any member of this system who retires on or after July 1, 2013, shall be
12 subject to the provisions of R.S. 11:149.

13 * * *

14 §1762. Reemployment of retirees

15 A. Any member of this system who retires on or after July 1, 2013, shall be
16 subject to the provisions of R.S. 11:149. Except as provided by R.S. 11:149, the
17 provisions of this Section shall apply to any member of this system who retires and
18 returns to active service covered by the provisions of this Chapter.

19 B. Whenever a retired member receiving normal retirement benefits becomes
20 reemployed by an employer such that his monthly earnings are equal to or less than
21 the difference between his monthly average final compensation and his monthly
22 retirement benefit, his retirement benefits shall continue and he shall not be a
23 member of the system.

24 ~~C.D.~~ The retired member and the employer shall immediately notify the
25 board of the retiree's date of employment, the amount of his monthly salary, and any
26 changes in salary, number of hours employed per week, estimated duration of
27 employment, and date of termination of employment.

28 ~~D.E.~~ For purposes of this Section, there shall be an annual cost-of-living
29 adjustment to the average final compensation figure used to determine whether

1 benefits are to be continued or reduced. This cost-of-living adjustment shall be
2 based upon and directly reflect the annual percentage increase or decrease in the
3 Consumer Price Index for the preceding calendar year.

4 * * *

5 §1928. Temporary employment of retirees; permanently employed retirees;
6 membership; calculation of additional benefit; retirees in elected positions

7 A. Any service retiree of this system who retires on or after July 1, 2013,
8 shall be subject to the provisions of R.S. 11:149. Except as provided by R.S. 11:149,
9 the provisions of this Section shall apply to any service retiree who retires and
10 returns to active service covered by the provisions of this Chapter.

11 B. Any person who ~~has retired~~ retires under the provisions of this Chapter
12 may be temporarily employed by an employer participating in this plan, subject to
13 the following limitations. If a retiree is under age sixty-five or has not been retired
14 at least three years, he may be employed no more than four hundred eighty hours in
15 a calendar year. If a retiree is age sixty-five or older and has been retired at least
16 three years, he may be employed no more than one thousand forty hours in a
17 calendar year. However, if the retiree is employed longer than the maximum hours
18 stated above, his retirement benefit will be reduced by the amount earned after the
19 allowed number of hours.

20 ~~B.(1)~~C.(1) If the retired member, who is otherwise eligible, becomes
21 permanently employed by an employer participating in this plan, the retired member
22 and the employer shall immediately notify the board of the retiree's date of
23 employment, the amount of his monthly salary, any changes in salary, number of
24 hours employed per week, estimated duration of employment, and date of
25 termination of employment. However, this Section shall not apply to retirees who
26 are elected to office and are prohibited from joining this system under Article X,
27 Section 29.1(A) of the Constitution of Louisiana.

1 §2220. Benefits; contribution limit

2 A. Eligibility for normal retirement, early retirement, and limitations.

3 * * *

4 (1)

5 * * *

6 (e) ~~Regardless~~ Except as provided by R.S. 11:149, regardless of age, if a
7 retiree of this system becomes an employee as defined in R.S. 11:2213(11), payment
8 of retirement benefits shall be suspended and the employee and employer shall
9 contribute to the system toward creditable service.

10 (f) ~~Upon~~ Except as provided by R.S. 11:149, upon termination of
11 employment, the monthly benefit which had been suspended shall resume being paid
12 to the retiree. The retiree may not change the option which was elected under the
13 original retirement computation.

14 (g) ~~Upon~~ Except as provided by R.S. 11:149, upon termination of
15 employment, the retiree shall receive an additional retirement benefit based on his
16 additional service rendered since reemployment using the normal method of
17 computation of benefits or as provided in Subparagraph (h) of this Paragraph, subject
18 to the following:

19 * * *

20 §2256. Benefits; refund of contributions, application, and payment

21 A.

22 * * *

23 (5)(a) ~~Upon returning~~ For any member who retires on or before June 30,
24 2013, and returns to work as a full-time employee covered by this system, retirement
25 benefits shall cease and the employee and employer shall contribute to the system
26 towards creditable service. The member may not change the option which was
27 selected under the first retirement computation.

After 12 months has passed (from his date of retirement), he can start collecting his benefit. The "100% rule" is only available to retired bus drivers, and is a voluntary reemployment option for individual employers who must pay the actuarial cost of reemploying such person under the "100% rule".

- (4) State Police Pension and Retirement System (STPOL) - provides that if a retiree is reemployed and his earnings exceed 50% of his average final compensation, his benefit shall be suspended.

STATEWIDE RETIREMENT SYSTEMS

- (1) La. Assessor's Retirement Fund (LARF) - provides that if a retiree is reemployed for more than 100 working days, the benefits payable to him shall be reduced by the amount he earned (in salary) after 30 working days.
- (2) Clerks' of Court Retirement and Relief Fund (CCRS) - if a retiree is reemployed for more than 60 working days, the benefits payable to him shall be reduced by the amount of salary earned after 60 working days.
- (3) District Attorneys' Retirement System (DARS) - provides that a reemployed retiree's benefits are suspended, but during the period of reemployment he shall accrue a supplemental benefit. Provides an exception allowing a district attorney or assistant district attorney to be reemployed without having his benefit suspended if his salary is less than \$45,000, but he shall not accrue a supplemental benefit while reemployed.
- (4) Municipal Employees' Retirement System (MERS) - provides that a reemployed retiree's benefits shall continue only if his monthly earnings (salary) are equal to or less than the difference between his average final compensation and his retirement benefits. If his salary exceeds this difference, then his benefits will be reduced by the amount of such difference.
- (5) Parochial Employees' Retirement System (PERS) - provides that a reemployed retiree who has been retired at least three years and is 65 or older, may work for up to 1,040 hours in the calendar year. A retiree who does not meet these criteria may work up to 480 hours during the calendar year. If a retiree exceeds such limits, his retirement benefit will be reduced by the amount of salary earned in excess of those limits.
- (6) Registrars of Voters Employees' Retirement System (ROVERS) - provides that a retiree can be rehired without a suspension in benefits if he has terminated employment for at least six months and is employed for no more than 60 days or 480 hours in a calendar year. Employment in excess of this requires a reduction of the benefit by an amount equal to the amount earned in excess of the limitation. Any retiree reemployed within six months shall have his benefit reduced by the amount earned during his reemployment. For any retiree returning to work full-time, his benefit will be suspended during reemployment, and he will earn a supplemental benefit for such period.
- (7) Sheriffs' Pension and Relief Fund (SPRF) - provides that a reemployed retiree may return to work part time, in which case his earnings shall not exceed 50% of his final average compensation; however, a full-time reemployed retiree's benefits shall be suspended during reemployment, but he shall accrue a supplemental benefit.
- (8) Municipal Police Employees' Retirement System (MPERS) - provides that a reemployed retiree's benefit shall be suspended but the retiree shall accumulate a supplemental benefit during his period of reemployment.

- (9) Firefighters' Retirement System (FRS) - provides that a reemployed retiree's benefit shall be suspended, but such person shall earn a supplemental benefit during the period of his reemployment.

Effective July 1, 2013.

(Amends R.S. 11:149, 416(A)(intro. para.), 710(A), (F), and (G), 1006, 1007(A)(1), 1311, 1413, 1513(A), (B), and (C)(1), 1631(F), 1762, 1928, 2078, 2220(A)(1)(e), (f), and (g)(intro. para.), 2256(A)(5); Adds R.S. 11:416(D) and 2175(E)(7))