

SENATE BILL NO. 25

BY SENATOR GUILLORY

1 AN ACT

2 To amend and reenact R.S. 11:1142, 1147(C)(2)(a)(ii), 1151(F)(1), 1151.1(A) and (C)(1),
3 and 1206, to enact R.S. 11:1132.1, and to repeal R.S. 11:162(D), 1002(11), and
4 1144(A)(2), relative to the administration of the Louisiana School Employees'
5 Retirement System; to provide for recovery of overpayments; to provide for
6 disability and survivor benefits for certain members; to provide for technical
7 corrections; to provide for an effective date; and to provide for related matters.

8 Notice of intention to introduce this Act has been published.

9 Be it enacted by the Legislature of Louisiana:

10 Section 1. R.S. 11:1142, 1147(C)(2)(a)(ii), 1151(F)(1), 1151.1(A) and (C)(1), and
11 1206 are hereby amended and reenacted and R.S. 11:1132.1 is hereby enacted to read as
12 follows:

13 **§1132.1. Administrative errors; collections**

14 **A. Effective July 1, 2014, the right to collect any benefit paid to an**
15 **individual to whom the benefit was not due resulting from an administrative**
16 **error by the system shall apply only to amounts paid during the**
17 **thirty-six-month period immediately preceding the date on which notice of such**
18 **error is sent to the member, except in the case of fraud.**

19 **B. Notwithstanding the provisions of Subsection A of this Section, if the**
20 **individual receiving the payment committed a fraud against the system, the**
21 **right to collect such fraudulent payment shall extend to the entire amount of**
22 **overpayment obtained through fraud.**

23 **C. Recovery of any amount paid to an individual to whom the benefit**

was not due, collected as provided in this Section, shall be in accordance with the provisions of R.S. 11:192.

* * *

§1142. Withdrawal from service ~~after ten years~~; retirement allowance at age sixty vesting

A. Any member whose first employment making him eligible for membership in one of the state systems occurred on or before June 30, 2010, who has credit for ten or more years of regular, full-time creditable service, may withdraw from service and elect to leave his accumulated contributions in the system and upon reaching age sixty, he shall be eligible to receive a retirement allowance based on the credits he had at the time of his withdrawal from service.

B. Any member whose first employment making him eligible for membership in one of the state systems occurred on or after July 1, 2010, who has five or more years of creditable service, may withdraw from service and elect to leave his accumulated contributions in the system and upon reaching age sixty, he shall be eligible to receive a retirement allowance based on the credits he had at the time of his withdrawal from service.

* * *

§1147. Disability retirement

* * *

C.(1) * * *

(2)(a)(i) * * *

(ii) A disability retiree whose membership in the system began on or after July 1, 2006, ~~but~~ whose first employment making him eligible for membership in one of the state systems occurred on or before June 30, 2010, who is not eligible to receive a regular service retirement allowance and who has at least ten years of creditable service, shall receive a disability retirement allowance equal to three percent of his average compensation multiplied by his years of creditable service.

* * *

§1151. Survivor benefits; members hired on or before June 30, 2010

* * *

F.(1) No ~~beneficiary or beneficiaries~~ **survivor or nonretiree beneficiary** shall receive more than one ~~survivor's~~ **survivor** benefit at any one time. Whenever two or more survivor benefits are payable, the survivors shall receive the larger benefit as long as it is payable; ~~then~~ **Thereafter, the survivor shall** receive the other benefit, if **the survivor is** still eligible.

* * *

§1151.1. ~~Survivors'~~ **Survivor** benefits; members hired on or after July 1, 2010

A.~~(1)~~ Survivor benefits shall be due and payable by the system effective the first day of the next month following the death of a member whose first employment making him eligible for membership in one of the state systems occurred on or after July 1, 2010, but shall not be paid until a properly completed and acceptable application is received by the system and all proper certifications have been received by the system.

(2) No survivor or nonretiree beneficiary shall receive more than one survivor benefit at any one time. Whenever two or more survivor benefits are payable, the survivors shall receive the larger benefit as long as it is payable. Thereafter, the survivor shall receive the other benefit, if the survivor is still eligible.

* * *

C.(1) In addition to the amount payable in accordance with Subsection B of this Section, for the benefit of the surviving minor child, or children, there shall be paid for each such child, subject to a maximum of two children, per month fifty percent of the benefit to which a spouse would be entitled under Subsection B of this Section. Benefits shall be payable to such children even if no spouse eligible for survivor benefits is present, provided the member had at least five years of service credit. Benefits for a child shall cease when the child is no longer a minor child as defined by this Chapter. ~~No surviving minor child shall receive more than one survivor's benefit at any one time. If two benefits are applicable, only the larger shall be paid.~~

* * *

§1206. Employee contributions; discontinuance

The retirement benefits provided by this Part shall not annually exceed one hundred percent of average compensation, and when a member has ~~earned~~ **accrued** ~~a~~ benefits equal to one hundred percent of his average compensation, no further contributions shall be required of him. However, the employer shall continue to pay employer contributions to the system.

Section 2. R.S. 11:162(D), 1002(11), and 1144(A)(2) are hereby repealed.

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

Section 4. This Act shall become effective on June 30, 2014; if vetoed by the governor and subsequently approved by the legislature, this Act shall become effective on June 30, 2014, or on the day following such approval by the legislature, whichever is later.

PRESIDENT OF THE SENATE

SPEAKER OF THE HOUSE OF REPRESENTATIVES

GOVERNOR OF THE STATE OF LOUISIANA

APPROVED: _____