

2018 Regular Session

HOUSE BILL NO. 42

BY REPRESENTATIVE JONES

RETIREMENT/SYSTEMS MERGE: Provides for the incorporation of the Registrars of Voters Employees' Retirement System into the Louisiana State Employees' Retirement System

1 AN ACT

2 To amend and reenact R.S. 11:102(C)(3)(m), 182(A)(1), 251, 2031(1), (7), (10), (11), (14),

3 (15), (17), (18), and (21), 2032, 2034, 2035, 2051, 2052, 2053, 2054, 2062(C),

4 2072(A) and (B), 2075, 2077(C), 2078, 2096(A), (B), (D)(1), and (E)(1)(introductory

5 paragraph) and (2), 2111(B), 2141(1), 2144(C) through (I), 2163(C), 2164(B),

6 2165.1, 2165.2(A)(2), 2165.3, 2165.5, to enact R.S. 11:102(C)(3)(n), 411(10),

7 Subpart F of Part VII of Chapter 1 of Subtitle II of Title 11 of the Louisiana Revised

8 Statutes of 1950, to be comprised of R.S. 11:641 and 642, and R.S. 11: 2031(16.1),

9 and to repeal R.S. 11:243(A)(6), 246(A)(6), 2061, 2073, 2091 through 2095,

10 2096(C), and 2112 through 2115, relative to retirement for a registrar of voters or

11 employees of an office of registrar of voters; to provide for the incorporation of the

12 Registrars of Voters Employees' Retirement System into the Louisiana State

13 Employees' Retirement System; to provide relative to the assets of the Registrars of

14 Voters Employees' Retirement System; to provide relative to benefits for members

15 of the Registrars of Voters Employees' Retirement System; to provide relative to

16 benefits for new hires; to provide relative to the boards of trustees of the Louisiana

17 State Employees' Retirement System and the Registrars of Voters Employees'

18 Retirement System; and to provide for related matters.

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

4 Be it enacted by the Legislature of Louisiana:

5 Section 1. R.S. 11:102(C)(3)(m), 182(A)(1), 251, 2031(1), (7), (10), (11), (14), (15),
6 (17), (18), and (21), 2032, 2034, 2035, 2051, 2052, 2053, 2054, 2062(C), 2072(A) and (B),
7 2075, 2077(C), 2078, 2096(A), (B), (D)(1), and (E)(1)(introductory paragraph) and (2),
8 2111(B), 2141(1), 2144(C) through (I), 2163(C), 2164(B), 2165.1, 2165.2(A)(2), 2165.3,
9 2165.5 are hereby amended and reenacted and R.S. 11:102(C)(3)(n), 411(10), Subpart F of
10 Part VII of Chapter 1 of Subtitle II of Title 11 of the Louisiana Revised Statutes of 1950, to
11 be comprised of R.S. 11:641 and 642, and R.S. 11: 2031(16.1) are hereby enacted to read
12 as follows:

13 §102. Employer contributions; determination; state systems

14 * * *

15 C.

16 * * *

17 (3) The provisions of this Paragraph and Paragraphs (4) through (9) of this
18 Subsection shall be effective for the June 30, 2010 system valuation and beginning
19 Fiscal Year 2011-2012. For purposes of this Subsection, "plan" or "plans" shall
20 mean a subgroup within the system characterized by the following employee
21 classifications:

22 * * *

23 (m) Registrars of Voters Employees' Retirement Plan members as provided
24 pursuant to R.S. 11:641, et seq.

25 (n) Any other specialty retirement plan provided for a subgroup of system
26 members. If the legislation enacting such a plan is silent as to the application of this
27 Subsection, the Public Retirement Systems' Actuarial Committee shall provide for
28 the application to such plan.

29 * * *

1 §182. Boards of trustees of state and statewide public retirement systems; per diem
2 and expenses

3 A.(1) Notwithstanding any other provisions of law to the contrary, the
4 members of the boards of trustees of the Louisiana State Employees' Retirement
5 System, the Teachers' Retirement System of Louisiana, the Louisiana School
6 Employees' Retirement System, the Municipal Police Employees' Retirement
7 System, the Louisiana State Police Retirement System, the Parochial Employees'
8 Retirement System of Louisiana, the Municipal Employees' Retirement System of
9 Louisiana, the Firefighters' Retirement System, the Assessors' Retirement Fund, the
10 Clerks' of Court Retirement and Relief Fund, ~~the Registrars of Voters Employees'~~
11 ~~Retirement System~~, the Sheriffs' Pension and Relief Fund, and the District Attorneys'
12 Retirement System shall receive for attendance at meetings of the boards a per diem
13 of seventy-five dollars per meeting plus the normal expense allowance, provided
14 funds are available for this purpose.

15 * * *

16 §251. Legal counsel, certified public accountants, professional investment personnel
17 Notwithstanding any other provisions of law to the contrary, the boards of
18 trustees of the Louisiana State Employees' Retirement System, the Teachers'
19 Retirement System of Louisiana, the Louisiana School Employees' Retirement
20 System, the Municipal Police Employees' Retirement System, the Louisiana State
21 Police Retirement System, the Parochial Employees' Retirement System of
22 Louisiana, the Municipal Employees' Retirement System of Louisiana, the
23 Firefighters Retirement System, the Assessors' Retirement Fund, the Clerks of Court
24 Retirement and Relief Fund, ~~the Registrars of Voters Employees' Retirement System~~,
25 the Sheriffs' Pension and Relief Fund, and the District Attorneys' Retirement System
26 are hereby authorized, jointly or otherwise, to at their option either employ or
27 appoint at their own cost and expense legal counsel, certified public accountants, and
28 professional investment personnel who shall be full-time in-house staff members of
29 said systems, who may be members of the appropriate public retirement system, and

1 who may participate in the state's group life, health, and hospitalization insurance
2 program, or to retain legal counsel to represent said systems who shall not be a
3 member of any of the above systems.

4 * * *

5 §411. Eligibility for membership

6 The membership of this system shall be as follows:

7 * * *

8 (10) A registrar of voters of the state of Louisiana, a deputy registrar of
9 voters, or a permanent employee of the office of registrar of voters in any parish of
10 the state of Louisiana any of whom is first appointed or hired on or after July 1,
11 2018.

12 * * *

13 SUBPART F. REGISTRARS OF VOTERS EMPLOYEES' RETIREMENT PLAN

14 §641. Administration of the Registrars of Voters Employees' Retirement Plan

15 A. With the exception of payment of permanent benefit increases,
16 membership and benefits for the Registrars of Voters Employees' Retirement Plan
17 shall be in accordance with the provisions of Chapter 6 of Subtitle III of Title 11 of
18 the Louisiana Revised Statutes of 1950; however, if provisions of this Chapter cover
19 matters not specifically addressed by the provisions of Chapter 6 of Subtitle III of
20 Title 11 of the Louisiana Revised Statutes of 1950, the provisions of this Chapter
21 shall apply to that plan. The provisions of Chapter 6 of Subtitle III of Title 11 of the
22 Louisiana Revised Statutes of 1950 are hereby made a part of this system. Eligibility
23 for and payment of permanent benefit increases for members of the plan shall be
24 governed by the laws and rules of this system.

25 B. Notwithstanding any provision of law to the contrary, upon the merger
26 of the Registrars of Voters Employees' Retirement Plan with this system, the assets
27 of the Registrars of Voters Employees' Retirement System shall become part of the
28 Louisiana State Employees' Retirement System trust and shall be managed in
29 accordance with the laws governing this system.

1 §642. Transfer of other service credit

2 A. Any member of the Registrars of Voters Employees' Retirement Plan who
3 would otherwise be eligible for the regular retirement plan except that his first
4 employment making him eligible for membership in the Registrars of Voters
5 Employees' Retirement Plan occurred on or before June 30, 2018, and who has not
6 participated in the Deferred Retirement Option Plan in the Registrars of Voters
7 Employees' Retirement Plan shall have the right to irrevocably elect to become a
8 member of the regular retirement plan by submitting an application to the board of
9 trustees to become effective on or after July 1, 2018.

10 B. Any eligible member who elects to transfer to the regular retirement plan
11 from the Registrars of Voters Employees' Retirement Plan shall have the option of:

12 (1) Maintaining prior service credit in the Registrars of Voters Employees'
13 Retirement Plan pursuant to the provisions of that plan and accruing service credit
14 and benefits in the regular plan after the date he joins the plan. If such election
15 results in an actuarial cost to this system, the member shall pay the system the
16 amount of such actuarial cost prior to his retirement.

17 (2)(a) An internal actuarial transfer from the Registrars of Voters Employees'
18 Retirement Plan to this plan in accordance with the provisions of R.S. 11:143(C) and
19 (D) in which the member transfers all of his service credit from the Registrars of
20 Voters Employees' Retirement Plan and maintains prior service credit at the accrual
21 rate at which it was earned in such plan prior to joining the regular plan. If the
22 amount of funds transferred is less than the actuarial cost of the service transferred,
23 the member transferring, except as otherwise provided in this Section, shall pay the
24 deficit or difference, including the interest thereon at the board-approved actuarial
25 valuation rate of the system.

26 (b) In lieu of paying the deficit or difference plus interest, the member may,
27 at his option but only at the time of transfer, be granted an amount of credit in this
28 plan which is based on the amount of funds actually transferred plus any additional
29 funds less than the deficit paid by the member.

1 (11) "Employer" shall mean the registrar of voters of any parish in the state
2 of Louisiana, the state of Louisiana, or the police jury or any other governing body
3 of a parish which employs and pays persons as registrars of voters. "Employer" shall
4 also mean this retirement ~~system~~ plan.

5 * * *

6 (14) "Member" shall include any employee, as defined in Paragraph (10) of
7 this Section, included in the membership of this ~~system~~ plan as provided in R.S.
8 11:2051.

9 (15) "Membership service" shall mean service as an employee while a
10 member of this ~~system~~ plan.

11 * * *

12 (16.1) "Plan" or "pension plan" shall mean the Registrars of Voters
13 Employees' Retirement Plan established in this Part and administered as a plan
14 within the Louisiana State Employees' Retirement System pursuant to R.S. 11:641.

15 (17) "Prior service" shall mean service rendered prior to ~~the date of the~~
16 ~~establishment of this retirement system~~ January 1, 1955, for which credit is
17 allowable as provided in R.S. 11:2061.

18 (18) "Regular interest" shall mean interest compounded annually at such a
19 rate as shall be determined by the board of trustees ~~in accordance with R.S. 11:2111.~~

20 * * *

21 (21) "Retirement system" shall mean the ~~Registrars of Voters Employees'~~
22 ~~Retirement System as defined in R.S. 11:2032~~ Louisiana State Employees'
23 Retirement System.

24 * * *

25 §2032. Name and date of establishment

26 ~~A.~~ A retirement ~~system~~ plan is hereby established and placed under the
27 management of the board of trustees for the purpose of providing retirement
28 allowance and other benefits under the provisions of this Chapter for registrars of
29 voters, their deputies, and their permanent employees in each parish hired or

1 appointed on or before June 30, 2018. ~~The retirement system so created shall be~~
2 ~~established as of the first day of January nineteen hundred and fifty-five.~~

3 B. ~~It shall have the power and the privileges of a corporation and shall be~~
4 ~~known as the "Registrars of Voters Employees' Retirement System" and by such~~
5 ~~name all of its business shall be transacted, all of its funds invested and all of its cash~~
6 ~~and securities and other property held.~~

7 * * *

8 §2034. Protection against fraud

9 Any persons who shall knowingly make any false statement or shall falsify
10 or permit to be falsified any record or records of this retirement ~~system~~ plan in any
11 attempt to defraud ~~such the plan or retirement~~ system as a result of such act shall be
12 guilty of a misdemeanor, and on conviction thereof by any court of competent
13 jurisdiction shall be punished by a fine not exceeding five hundred dollars or
14 imprisonment in the parish jail not exceeding twelve months, or both such fine and
15 imprisonment at the discretion of the court. Should any change or error in the records
16 result in any member or beneficiary receiving from the plan or retirement system
17 more or less than he would have been entitled to receive had the records been
18 correct, the board of trustees shall correct such error, and as far as practicable, shall
19 adjust the payment in such a manner that the actuarial equivalent of the benefit to
20 which such member or beneficiary was correctly entitled shall be paid.

21 §2035. Limitation of membership

22 No other provisions of law ~~in any other status~~ which provides wholly or
23 partly at the expense of the state of Louisiana for pensions or retirement benefits for
24 employees of the several parishes or any parish of the state of Louisiana, their
25 widows, or other dependents, shall apply to members or beneficiaries of the
26 retirement ~~system~~ plan established by this Chapter, their widows, or other
27 dependents.

1 §2051. Membership

2 ~~A.~~ The membership of the retirement system plan shall be composed as
3 follows:

4 (1) All persons who shall become employees as defined in R.S. 11:2031(10),
5 except those specifically excluded under R.S. 11:2052, shall become members as a
6 condition of their employment. ~~Any employee who was excluded from membership~~
7 ~~on the basis of age, shall be entitled to receive credit in the system for the period in~~
8 ~~which he was denied membership. In order to obtain such membership and credit~~
9 ~~for such service, each such person shall make application to the board of trustees~~
10 ~~therefor prior to January 1, 1994, and shall furnish to the board a detailed statement~~
11 ~~of all service for which credit is claimed. In addition, each such person shall pay into~~
12 ~~the system the member's and employer's contributions on the salary earned during~~
13 ~~the period for which credit for service is claimed at the contribution rates which were~~
14 ~~in effect at the time service was rendered plus eight percent interest thereon from the~~
15 ~~time the service was rendered until paid. However, the employing agency may pay~~
16 ~~the employer's contributions and interest in its discretion. However, in no event shall~~
17 ~~the amount paid be less than the actuarial cost of the creditable purchased time. The~~
18 ~~amount to be paid hereunder shall be paid in one lump sum prior to July 1, 1994.~~
19 ~~Any person who is an employee as defined in R.S. 11:2031(10), except those~~
20 ~~excluded under R.S. 11:2052, and who was denied membership in the system~~
21 ~~because of his age, may elect not to be covered in the membership of the system in~~
22 ~~accordance with the provisions of Paragraph (2) of this Subsection.~~

23 (2) ~~All persons who are employees as the term is defined in R.S.~~
24 ~~11:2031(10), except those specifically excluded under R.S. 11:2052, and who were~~
25 ~~denied membership in the system on account of age, shall become members on July~~
26 ~~1, 1993, unless within a period of ninety days thereafter any such employee shall file~~
27 ~~with the board of trustees on a form prescribed by such board a notice of his election~~
28 ~~not to be covered in the membership of the system and a duly executed waiver of all~~

1 present and prospective benefits which would otherwise inure to him on account of
2 his participation in the retirement system.

3 (3)(2) Notwithstanding any other provision of law to the contrary, any
4 person who is retired from service under any actuarially funded state, municipal,
5 parochial, or other retirement system which is supported in whole or in part by public
6 funds, and who is receiving retirement benefits therefrom, who is otherwise eligible
7 for membership in this system plan by reason of employment, shall be eligible to
8 become a member of this system plan if he was under the age of fifty-five years at
9 the time of the employment which normally would render him eligible for
10 membership. Any such person may gain credit for service, rendered on and after
11 January 1, 1976 as an employee in an office of a registrar of voters while he was not
12 a member of the system plan, if he pays into the system an amount equal to all
13 contributions which would have been required had he been a member of the system
14 plan, plus interest thereon at the rate of five percent per annum compounded to the
15 date of repayment. No such person shall be permitted to retire from the system until
16 he has been a member of this system plan for at least four years.

17 ~~B. All persons who are employees as the term is defined in R.S. 11:2031,~~
18 ~~Paragraph (10) on the date as of which the retirement system is established who are~~
19 ~~members of any fund or who are eligible for membership in any fund operated for~~
20 ~~the retirement of employees by the state of Louisiana, or by a city, parish, or other~~
21 ~~political subdivision of the state of Louisiana when this Chapter takes effect, shall~~
22 ~~cease to be members in such fund upon the effective date of this Chapter and shall~~
23 ~~receive a refund of all amounts paid into such fund, together with any interest which~~
24 ~~may have accrued thereon, and shall become a member of the Registrars of Voters~~
25 ~~Employees' Retirement System with full credit for all prior service.~~

26 §2052. Persons not eligible for membership

27 No elected or appointed official of this state or of any parish thereof who
28 under any provisions of the constitution or laws of this state is subject to retirement
29 with pay is eligible for membership in this system plan.

1 §2053. Persons failing to elect coverage; admission to membership

2 A person whose membership in this retirement ~~system plan~~ is contingent on
3 his own election and who elects not to become a member, may thereafter but not
4 subsequent to the attainment of age fifty-five apply for and be admitted to
5 membership; but no such person shall receive prior service credit unless he becomes
6 a member within the first year following ~~the establishment of this retirement system~~
7 January 1, 1955.

8 §2054. Persons temporarily employed

9 Employees who are serving on temporary basis or other than per annum basis
10 shall be ineligible for membership in the ~~system plan~~.

11 * * *

12 §2062. Verification of creditable service

13 * * *

14 C. When membership ceases, such prior service certificate shall become null
15 and void. Should the employee again become a member of the ~~system plan~~, he shall
16 enter the ~~system plan~~ as an employee not entitled to prior service credit except as
17 provided for in Parts IV and VII of this Chapter.

18 * * *

19 §2072. Annual amount of retirement allowance

20 A. The annual amount of the retirement allowance for persons who retired
21 from this ~~system plan~~ on or before June 30, 1999, shall be three percent of the
22 average compensation for each year of creditable service.

23 B.(1) The annual amount of the retirement allowance for any person who is
24 an active contributing member of this ~~system plan~~ on or after July 1, 1999, and
25 whose first employment making him eligible for membership in the ~~system plan~~
26 occurred on or before January 1, 2013, shall be equal to three and one-third percent
27 of the average compensation for each year of creditable service.

28 (2) For any former active contributing member who returns to service as an
29 active contributing member on and after July 1, 1999, and whose first employment

1 making him eligible for membership in the ~~system plan~~ plan began prior to January 1,
2 2013, the provisions of this Subsection shall apply only to the service credit earned
3 after the date such member returns to service.

4 * * *

5 §2075. Return of accumulated contributions

6 If a member ceases to be an employee, except by death or retirement under
7 the provisions of this Chapter, he shall be paid such part of the amount of the
8 accumulated contributions standing to the credit of his individual account in the
9 annuity savings fund as he shall demand. If a member dies before retirement, the
10 amount of his accumulated contributions standing to the credit of his individual
11 account shall be paid to his estate or to such person as he shall have nominated by
12 written designation, duly executed and filed with the board of trustees. If an
13 employee returns to membership in the ~~system plan~~ plan after withdrawing his
14 contributions and remains a contributing member for four years, he then shall be
15 entitled to repay the amount which he withdrew, plus interest at a rate determined by
16 the board of trustees, and upon such repayment, he shall again be given credit for the
17 service he forfeited at the time he withdrew.

18 * * *

19 §2077. Survivors' benefits

20 * * *

21 C. Should the spouse desire to receive in lieu of such Option 2 benefits a
22 refund of the member's contributions, with interest earned thereon, ~~she~~ he may do so
23 by specifying ~~her~~ his choice in writing, properly notarized, to the board of trustees
24 ~~of the Registrars of Voters Employees' Retirement System~~. The retirement system
25 shall pay a lump sum refund equal to the difference between total monthly survivor
26 benefits paid and total accumulated contributions, if any, on cessation of all eligible
27 monthly payments.

28 * * *

1 §2078. Reemployment of retirees

2 A. In the event any retiree of the ~~system plan~~ is employed by an employer
3 covered by this ~~system plan~~, the retiree and the employer shall immediately notify
4 the system of the retiree's date of employment, the amount of salary paid, any
5 changes in salary while reemployed, number of hours employed per week, estimated
6 duration of employment, and date of termination of reemployment.

7 B.(1) Any retiree of this plan may be employed by an employer covered by
8 this ~~system plan~~ without suspension of benefits provided the retiree has terminated
9 employment for at least six consecutive months. Such retiree may be employed for
10 no more than sixty days, or four hundred eighty hours, in a calendar year. Should
11 the portion of the calendar year available for employment be less than twelve
12 months, the period of employment without reduction in benefits shall be reduced on
13 a pro rata basis.

14 (2) Should any retiree of this plan be employed in excess of the amount of
15 time provided for in Paragraph (1) of this Subsection, his retirement benefit shall be
16 reduced by an amount equal to the amount earned in excess of the limitation. The
17 reduction in benefits shall begin with the next payroll after the system receives
18 notification of such employment.

19 C. Should any retiree of this plan be employed by an employer covered by
20 this ~~system plan~~ within six months of termination of employment, his retirement
21 benefit shall be reduced by an amount equal to that earned during such employment.
22 Such reduction shall begin with the next payroll after the system receives notification
23 of such employment.

24 D. Should any retiree of this plan return to full-time permanent employment
25 by an employer covered by this ~~system plan~~ at any time after termination of
26 employment, his retirement benefit shall be suspended and he shall become an active
27 contributing member of the ~~system plan~~. Upon his subsequent retirement, he shall
28 receive his original benefit plus a supplemental benefit based on his salary and
29 service earned since his reemployment. No change shall be permitted in the

1 member's original option; however, at the end of the period of reemployment, the
2 member shall select any option authorized as to any supplemental benefit earned.

3 §2096. Actuary; appointment; duties and powers

4 A. The board of trustees shall designate an actuary who shall be a technical
5 advisor of the board of trustees on matters regarding the operation of the ~~system~~ plan
6 created by the provisions of this Chapter and shall perform such other duties as are
7 required by law or by the board of trustees.

8 B. Immediately after the establishment of the ~~retirement system~~ plan, the
9 actuary shall make such investigation of the mortality, service, and compensation
10 experience of the members of the ~~system~~ plan as he shall recommend and the board
11 of trustees shall authorize, and on the basis of such investigation, he shall
12 recommend for adoption by the board of trustees such tables and such rates as are
13 required in Subsection C of this Section. The board of trustees shall adopt tables and
14 certify rates, and as soon as practicable thereafter, the actuary shall make a valuation
15 based on such tables and rates of the assets and liabilities of the ~~system~~ plan created
16 by this Chapter.

17 * * *

18 D.(1) On the basis of such tables as the board of trustees shall adopt, the
19 actuary shall make an annual valuation of the assets and liabilities of the ~~system~~ plan
20 created by this Chapter.

21 * * *

22 E.(1) Effective June 30, 2013, unless different actuarial assumptions are
23 formally adopted and disclosed, as provided in Paragraph (2) of this Subsection, the
24 following assumptions shall determine the actuarial equivalents to be used in this
25 ~~retirement system~~ plan:

26 * * *

27 (2) The board of trustees may authorize the use of interest and mortality rates
28 in determining the actuarial equivalents which are different from the actuarial
29 assumptions specified in Paragraph (1) of this Subsection. Any change in such

CODING: Words in ~~struck through~~ type are deletions from existing law; words underscored are additions.

1 actuarial assumptions shall be considered a part of the plan provisions of this
2 ~~retirement system~~ plan and shall be considered an amendment to the plan provisions
3 contained in this Section. In order to be effective, such change shall be formally
4 adopted by the board of trustees as a rule or rules promulgated pursuant to the
5 Administrative Procedure Act and disclosed to members of the retirement system.

6 * * *

7 §2111. Investment of funds by board of trustees

8 * * *

9 B. The board of trustees annually shall allow regular interest on the mean
10 amount for the preceding year in each of the funds with the exception of the expense
11 fund and the Annuity Savings Fund. The amounts so allowed shall be due and
12 payable to said funds and shall be annually credited thereto by the board of trustees
13 from interest and other earnings on the moneys of the retirement system. Any
14 additional amount required to meet the interest on the funds of the retirement system
15 shall be paid from the pension accumulation fund, and any excess of earnings over
16 such amount required shall be paid to the pension accumulation fund. Regular
17 interest shall mean such per centum rate to be compounded annually as shall be
18 determined by the board of trustees on the basis of interest earnings of the ~~system~~
19 plan for the preceding year and of the probable earnings to be made, in the judgment
20 of the board, during the immediate future. Such rate to be limited to a maximum of
21 four per centum with a rate of two per centum applicable during the first year of
22 operation of the ~~retirement system~~ plan.

23 * * *

24 §2141. Collection of member contributions

25 The collection of members' contributions shall be as follows:
26 (1) Each employer shall cause to be deducted on each and every payroll of
27 a member for each and every payroll period subsequent ~~to the date of establishment~~
28 ~~of the retirement system~~ January 1, 1955, the contributions payable by such member,
29 as provided in this Chapter. Each employer shall certify to the treasurer of said

1 employer on each and every payroll a statement as vouchers for the amount so
2 deducted.

3 * * *

4 §2144. Deferred Retirement Option Plan

5 * * *

6 C.(1) The duration of participation in the ~~plan~~ Deferred Retirement Option
7 Plan shall be specified and shall not exceed three years.

8 (2) Any person who had previously participated in the Deferred Retirement
9 Option Plan, who remained in service after participating in the ~~plan~~ Deferred
10 Retirement Option Plan and who continues to be in service on July 1, 1993, shall be
11 allowed to participate in the ~~plan~~ Deferred Retirement Option Plan for one additional
12 year subject to the same conditions and benefit payments that existed when the
13 person first entered participation; written notice of the member's decision to reenter
14 participation shall be given to the system.

15 D. A person may participate in the ~~plan~~ Deferred Retirement Option Plan
16 only once. At the time the member elects to participate in the ~~plan~~ Deferred
17 Retirement Option Plan, the member shall exercise a retirement option for service
18 retirement under the provisions of Subsection H of this Section and no change in the
19 option selected shall be permitted after it has been filed with the board.

20 E. Upon the effective date of the commencement of participation in the ~~plan~~
21 Deferred Retirement Option Plan, active membership in the ~~system~~ plan shall
22 terminate. Employer contributions shall continue to be payable by the employer
23 during the person's participation in the ~~plan~~ Deferred Retirement Option Plan, but
24 payment of employee contributions shall cease upon the effective date of the person's
25 commencement of participation in the ~~plan~~ Deferred Retirement Option Plan. For
26 purposes of this Section, compensation and creditable service shall remain as they
27 existed on the effective date of commencement of participation in the ~~plan~~ Deferred
28 Retirement Option Plan. The monthly retirement benefits that would have been

1 payable, had the person elected to cease employment and receive a serviced
2 retirement allowance, shall be paid into the Deferred Retirement Option Plan Fund.

3 F. The Deferred Retirement Option Plan shall not earn interest. A person
4 who participates in ~~this plan~~ the Deferred Retirement Option Plan shall not be
5 eligible to receive a cost-of-living increase while participating, and shall not be
6 eligible for a cost-of-living increase until the employment which made the person
7 eligible to become a member of the ~~system plan~~ has been terminated for at least one
8 full calendar year.

9 G. Upon termination of employment at the end of the specified period of
10 participation, a participant in the ~~plan~~ Deferred Retirement Option Plan shall receive,
11 at his option, a lump sum payment from the Deferred Retirement Option Plan Fund
12 equal to the payments made to that fund on his behalf, a true annuity based upon his
13 account in that fund, or any other method of payment approved by the board of
14 trustees. If a person elects to receive a true annuity or other method of payment
15 approved by the board of trustees, funds shall be transferred from the Deferred
16 Retirement Option Plan Fund to the Annuity Reserve Fund to provide for the annuity
17 payments. The monthly benefits that were being paid into the Deferred Retirement
18 Option Plan Fund shall begin to be paid to the retiree.

19 H. If a participant dies during the period of participation in the ~~plan~~ Deferred
20 Retirement Option Plan, a lump sum equal to the account balance in the ~~plan~~
21 Deferred Retirement Option Plan fund shall be paid to his named beneficiary or, if
22 none, to the estate. If a participant terminates employment prior to the end of the
23 specified period of participation, the participant shall receive a lump sum payment
24 from the ~~plan~~ Deferred Retirement Option Plan fund equal to his account in that
25 fund, a true annuity based upon his account in that fund, or any other method of
26 payment approved by the board of trustees and the monthly benefits that were being
27 paid into the ~~plan~~ Deferred Retirement Option Plan fund shall begin to be paid to the
28 retiree. If a person elects to receive a true annuity or other method of payment
29 approved by the board of trustees, funds shall be transferred from the ~~plan~~ Deferred

1 Retirement Option Plan to the Annuity Reserve Fund to provide for the annuity
2 payments.

3 I. If employment is not terminated at the end of the period specified for
4 participation in the ~~plan~~ Deferred Retirement Option Plan, payments into the ~~plan~~
5 Deferred Retirement Option Plan fund shall cease and the person shall resume active
6 contributing membership in the ~~system plan~~. Payments from the ~~plan~~ Deferred
7 Retirement Option Plan fund shall not be made until employment is terminated, nor
8 shall the monthly benefits which were being paid into the ~~plan~~ Deferred Retirement
9 Option Plan fund during the period of participation be payable to the person until the
10 employment is terminated. Upon termination of employment, the person shall
11 receive a lump sum payment from the ~~plan~~ Deferred Retirement Option Plan fund
12 equal to the account in that fund, a true annuity based upon the account in that fund,
13 or any other method of payment approved by the board of trustees. If a person elects
14 to receive a true annuity or other method of payment approved by the board of
15 trustees, funds shall be transferred from the ~~plan~~ Deferred Retirement Option Plan
16 fund to the Annuity Reserve Fund to provide for the annuity payments. Also upon
17 termination of employment, the monthly benefits which were being paid into the
18 ~~plan~~ Deferred Retirement Option Plan fund shall begin to be paid to the retiree who
19 shall receive a supplemental benefit based on the additional service rendered since
20 resuming active contributing participation in the fund, in an amount attributable to
21 the service and average compensation during the subsequent participation based on
22 the computation formula in effect at the end of the subsequent participation. Any
23 supplemental benefit shall be based on the subsequent participation compensation
24 and service credit only, except the years of subsequent participation shall be added
25 to the member's retirement service credit to determine the supplemental service
26 credit accrual rate for purposes of computing any supplemental benefits earned
27 during the subsequent participation. No change in the retirement options selected by
28 the member shall be permitted as to the original retirement. However, at the end of
29 the subsequent participation the member shall be permitted to select any option

1 authorized as to any supplemental benefits earned by virtue of the subsequent
2 participation.

3 * * *

4 §2163. Benefit provided

5 * * *

6 C. This ~~plan~~ excess benefit plan shall be administered by the board. The
7 rights, duties, and responsibilities of the board shall be the same for this excess
8 benefit plan as for the pension plan set forth in this Chapter.

9 * * *

10 §2164. Contributions

11 * * *

12 B. The employer contributions otherwise required to be paid to the ~~pension~~
13 ~~plan~~ retirement system pursuant to R.S. 11:103 and any other qualified plan shall be
14 divided into those contributions required to pay retirement benefits from this excess
15 benefit plan and those contributions paid into and accumulated to pay the maximum
16 benefits required under the pension plan. Employer contributions made to provide
17 retirement benefits from this excess benefit plan may not be commingled with the
18 monies of the pension plan or any other qualified plan, nor may this excess benefit
19 plan ever receive any transfer of assets from the pension plan.

20 §2165.1. Creation; application

21 There is hereby created a second tier of benefits within this ~~system~~ plan for
22 persons whose first employment making them eligible for membership in this ~~system~~
23 plan occurred on or after January 1, 2013, and on or before June 30, 2018. The
24 provisions of this Part shall be known as "Tier 2" of the ~~system~~ plan. The provisions
25 of this Chapter applicable to persons whose first employment making them eligible
26 for ~~system~~ plan membership occurred before January 1, 2013, shall be known as
27 "Tier 1". Any other provisions of this Chapter or any other laws to the contrary
28 notwithstanding, the retirement of such persons shall be governed by the provisions
29 of this Part; however, if provisions of this Chapter applicable to the original plan

1 cover matters not specifically addressed by the provisions of this Part or if any of the
2 provisions of this Chapter are made applicable in this Part, then those provisions
3 shall apply to members governed by this Part.

4 §2165.2. Definitions

5 A. As used in this Part, the following terms have the meanings ascribed
6 below unless a different meaning is clearly required by the context:

7 * * *

8 (2) "Member" shall include persons who would be eligible for ~~system plan~~
9 membership pursuant to R.S. 11:2051 but whose first employment making them
10 eligible for membership in this ~~system plan~~ occurred on or after January 1, 2013, and
11 on or before June 30, 2018.

12 * * *

13 §2165.3. Eligibility for membership

14 Each person who would be eligible for Tier 1 membership but whose first
15 employment making him eligible for membership in this ~~system plan~~ occurred on or
16 after January 1, 2013, and on or before June 30, 2018, shall become a member of the
17 Tier 2 of the ~~system plan~~ as a condition of employment.

18 * * *

19 §2165.5. Annual amount of retirement allowance

20 A. The annual amount of the retirement allowance for any member who
21 upon retirement has less than thirty years of creditable service in this ~~fund plan~~ shall
22 be three percent of the average final compensation for each year of creditable
23 service. The annual amount of the retirement allowance for any member who upon
24 retirement shall have at least thirty years of total creditable service, with at least
25 twenty years of creditable service in this ~~system plan~~, shall be three and one-third
26 percent of the average final compensation for each year of creditable service.

27 * * *

28 Section 2. R.S. 11:243(A)(6), 246(A)(6), 2061, 2073, 2091 through 2095, 2096(C),
29 and 2112 through 2115 are hereby repealed in their entirety.

1 Section 3.(A) The term of office of every member serving on the Registrars of
2 Voters Employees' Retirement System board of trustees shall terminate upon the effective
3 date of this Act and the board shall be dissolved and its duties and functions assumed by the
4 board of trustees of the Louisiana State Employees' Retirement System as provided in this
5 Act.

6 (B) The members of the Registrars of Voters Employees' Retirement System board
7 of trustees shall remain fiduciarily liable, as provided in Subpart I of Part II of Chapter 4 of
8 Subtitle I of Title 11 of the Louisiana Revised Statutes of 1950, for the decisions made and
9 contracts entered into during their tenure. The members of the Louisiana State Employees'
10 Retirement System board of trustees who were never members of the Registrars of Voters
11 Employees' Retirement System board shall not be considered fiduciaries with respect to
12 decisions made and contracts entered into by the Registrars of Voters Employees' Retirement
13 System.

14 Section 4.(A) The Louisiana State Employees' Retirement System, with the
15 cooperation of the professional consultants of the Registrars of Voters Employees'
16 Retirement System, shall determine the most appropriate methods to properly account for
17 payment of the unfunded accrued liability attributable to the Registrars of Voters Employees'
18 Retirement Plan, to facilitate the transition of Registrar of Voters Employees' Retirement
19 Plan funds and other assets to the Louisiana State Employees' Retirement System, and to
20 transfer administrative duties of the Registrars of Voters Employees' Retirement Plan to the
21 Louisiana State Employees' Retirement System.

22 (B) Except as authorized herein, the board of trustees for the Louisiana State
23 Employees' Retirement System shall complete the transfer of all assets, liabilities, and
24 administrative functions from the Registrars of Voters Employees' Retirement System within
25 two years after the effective date of this Act in the manner determined pursuant to
26 Subsection(A) of this Section. Should the Louisiana State Employees' Retirement System,
27 during the course of implementation of this Act, determine that the transfer of all assets,
28 liabilities, and administrative functions cannot be completed within the time frame
29 established, it may seek an extension from the House and Senate committees on retirement.

1 Section 5. Except as provided for in this Act, the Louisiana State Law Institute shall
2 change every reference of "Registrars of Voters Employees' Retirement System" to
3 "Registrars of Voters Employees' Retirement Plan" in Title 11 of the Louisiana Revised
4 Statutes of 1950.

5 Section 6. This Act shall become effective on July 1, 2018; if vetoed by the governor
6 and subsequently approved by the legislature, this Act shall become effective on July 1,
7 2018, or on the day following such approval by the legislature, whichever is later.

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 42 Original

2018 Regular Session

Jones

Abstract: Provides for enrollment of new registrars of voters and new hires of an office of registrar of voters in the La. State Employees' Retirement System (LASERS) and for incorporation of the existing Registrars of Voters Employees' Retirement System (ROVERS) into LASERS.

Proposed law generally provides for enrollment of newly appointed registrars of voters and new hires of an office of registrar of voters into LASERS, effective July 1, 2018, and for merger of the existing ROVERS into LASERS, as more fully explained below.

Newly appointed registrars of voters and new hires of an office of registrar of voters

Present law establishes a rank and file plan in LASERS, a state retirement system. Members of such plan whose first employment making them eligible for membership in a La. state retirement system occurs on or after July 1, 2015, receive a 2.5% accrual rate with an employee contribution rate of 8%. Members of such plan are eligible to retire with 5 years of service at age 62.

Present law provides that any registrar of voters, employee of a registrar of voters, employee of ROVERS or employee of the La. Registrar of Voters Association, Inc., shall be a member of ROVERS. Proposed law instead places any registrar of voters or employee of an office of a registrar of voters first hired or appointed on or after July 1, 2018, in the rank and file plan in LASERS.

Members of the Registrars of Voters Employees' Retirement System on or before June 30, 2018

Present law establishes ROVERS as a statewide retirement system to provide for the retirement of any registrar of voters in the state of La., any deputy or permanent employee of the office of registrar of voters in any parish, any employee of ROVERS, or any employee of the La. Registrar of Voters Association, Inc. Proposed law abolishes ROVERS as an independent retirement system and recreates it as a plan (the ROVER Plan) within LASERS for ROVER Plan members hired or appointed before July 1, 2018.

Present law authorizes the ROVERS board to provide permanent benefit increases (PBIs) to retirees in certain circumstances. Proposed law provides that future PBIs for ROVER

Plan retirees and beneficiaries shall be calculated and granted pursuant to present law relative to LASERS. Proposed law retains all other plan provisions relative to members of ROVERS provided by present law including the calculation of employee and employer contributions as they apply to members of the ROVER Plan.

Proposed law authorizes active members of the ROVER Plan to transfer service credit to LASERS. Requires the member to pay any actuarial cost, calculated according to present law, for such transfers.

Transfer of ROVERS assets, liabilities, and plan administration

Present law provides for the administration of ROVERS by a board of trustees comprised of active, retired, and ex officio members. Proposed law repeals the ROVERS board on July 1, 2018, and provides that the ROVER Plan shall be administered by the LASERS board after the merger.

Proposed law provides that LASERS, with the cooperation of ROVERS' professional consultants, shall determine the most appropriate methods to properly account for payment of the unfunded accrued liability attributable to ROVERS, to facilitate the transition of ROVER Plan funds to LASERS, and to transfer assets and administrative duties of the ROVER Plan to LASERS. Further provides that the LASERS board of trustees shall complete the transfer of all administrative functions from ROVERS within two years after July 1, 2018.

Effective July 1, 2018.

(Amends R.S. 11:102(C)(3)(m), 182(A)(1), 251, 2031(1), (7), (10), (11), (14), (15), (17), (18), and (21), 2032, 2034, 2035, 2051, 2052, 2053, 2054, 2062(C), 2072(A) and (B), 2075, 2077(C), 2078, 2096(A), (B), (D)(1), and (E)(1)(intro. para.) and (2), 2111(B), 2141(1), 2144(C) through (I), 2163(C), 2164(B), 2165.1, 2165.2(A)(2), 2165.3, 2165.5; Adds R.S. 11:102(C)(3)(n), 411(10), 641, 642, and 2031(16.1); Repeals R.S. 11:243(A)(6), 246(A)(6), 2061, 2073, 2091-2095, 2096(C), and 2112-2115)