SLS 19RS-92 ORIGINAL

2019 Regular Session

SENATE BILL NO. 9

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BY SENATOR PETERSON

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

STATE EMPLOYEE RET. Removes future employees of the Regional Transit Authority from the system and state civil service. (6/30/19)

AN ACT

2	To amend and reenact R.S. 48:1655(N) and 1656(2), relative to the employees of the
3	Regional Transit Authority; to provide for classification of the employees; to provide
4	for membership in the Louisiana State Employees' Retirement System; to provide for
5	calculation of and payments for certain unfunded accrued liability attributable to the
6	authority; to provide for an effective date; and to provide for related matters.
7	Notice of intention to introduce this Act has been published.
8	Be it enacted by the Legislature of Louisiana:
9	Section 1. R.S. 48:1655(N) and 1656(2) are hereby amended and reenacted to read
10	as follows:
11	§1655. Board of commissioners; membership; terms
12	* * *
13	N.(1) Notwithstanding any other provisions of law to the contrary, the
14	authority shall not be considered an instrumentality of the state for purposes of
15	Article X, Section 1(A) of the Constitution of Louisiana. No employee of the
16	authority hired on or after July 1, 2019, shall be included in the state civil
17	service system or the Louisiana State Employees' Retirement System.

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(2)(a) All permanent employees of the authority <u>hired on or before June 30</u>, 2019, other than the commissioners, the secretary, the treasurer, the general counsel, the general manager and his assistant shall be classified employees in the state civil service system and as such shall be eligible to participate in the Louisiana State Employees' Retirement System; however, no part-time employee shall participate in group insurance or retirement benefits; and, further provided, that the Authority benefits. The authority shall pay the employer's share of all contributions to such system. Consultants or other persons or groups furnishing services under contract, including but not limited to managerial, engineering, planning, or legal services, shall not be a part of the state civil service system regardless of the length of their contracts or the nature of the services rendered.

(b) Notwithstanding any other provision of law to the contrary, the authority shall remit to the Louisiana State Employees' Retirement System that portion of the unfunded accrued liability existing on June 30, 2019, attributable to the authority. The amount due shall be determined by the actuary employed by the retirement system and shall be amortized over ten years. The amount shall be paid in equal monthly payments, in the same manner as regular payroll payments to the retirement system.

§1656. General powers

The authority shall have all powers necessary or convenient to accomplish the aforesaid purposes, including but not limited to the following:

* * *

(2) The power to appoint, select, and employ officers, agents, and employees, including engineering, architectural, and construction experts, fiscal agents and attorneys, to contract for the services of individuals or organizations not employed full time by the authority but who are engaged primarily in the rendition of personal services and not the sale of goods or merchandise, including but not limited to the services of attorneys, accountants, engineers, architects, consultants, and advisors, allowing them suitable compensation. Except as provided in Subsection N of Section

1655 R.S. 48:1655(N), all personnel of the authority shall be employed in accordance with the constitutional provisions and rules and regulations pertaining to the state classified service and full-time employees of the authority shall be eligible to participate in the State Employees' Retirement System.

5 * * *

Section 2. This Act shall become effective on June 30, 2019; if vetoed by the governor and subsequently approved by the legislature, this Act shall become effective on June 30, 2019, or on the day following such approval by the legislature, whichever is later.

The original instrument and the following digest, which constitutes no part of the legislative instrument, were prepared by Margaret M. Corley.

DIGEST

SB 9 Original

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2019 Regular Session

Peterson

Present law provides for the Regional Transit Authority (RTA).

<u>Present law</u> further provides that all permanent employees of the RTA shall be classified employees in the state civil service system and as such shall be eligible to participate in the Louisiana State Employees' Retirement System (LASERS).

<u>Proposed law</u> retains <u>present law</u> for all permanent employees hired on or before June 30, 2019.

<u>Present law</u> (La. Const. Art. X, Sec. 1(A)) establishes the state civil service. Provides that regardless of the source of funding used to pay for their employment, employees of certain entities including the state and any state instrumentality are in the state civil service.

<u>Proposed law</u> retains <u>present law</u> and provides that the RTA shall not be considered to be an instrumentality of the state for purposes of Article X, Section 1(A). Provides that all employees of the authority, hired on or after July 1, 2019, shall not be included in the state civil service system or LASERS.

<u>Proposed law</u> requires the RTA to remit that portion of LASERS' unfunded accrued liability existing on June 30, 2019, attributable to the RTA. <u>Proposed law</u> further provides that the amount due shall be determined by the actuary employed by LASERS and shall be amortized over ten years.

<u>Present law</u> provides for the general powers of the RTA, including the power to hire employees and to contract for services.

Proposed law retains present law.

<u>Present law</u> specifies that, except as provided in <u>present law</u>, all personnel of the RTA shall be employed in accordance with the constitutional provisions and rules and regulations pertaining to the state classified service.

Proposed law retains present law.

Present law provides that full-time employees of the RTA shall be eligible to participate in

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Coding: Words which are struck through are deletions from existing law; words in **boldface type and underscored** are additions.

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LASERS.

Proposed law deletes present law.

Effective June 30, 2019.

(Amends R.S. 48:1655(N) and 1656(2))