

2020 Regular Session

HOUSE BILL NO. 10

BY REPRESENTATIVE EDMONDS

RETIREMENT/TEACHERS: Provides relative to the calculation of average compensation of members of the Teachers' Retirement System of Louisiana

1 AN ACT

2 To amend and reenact R.S. 11:701(5)(e) and to enact R.S. 11:701(5)(f), relative to the
3 calculation of average compensation of members of the Teachers' Retirement System
4 of Louisiana; to provide for the applicability of certain limits on average
5 compensation when there is an interruption in service; and to provide for related
6 matters

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

10 Be it enacted by the Legislature of Louisiana:

11 Section 1. R.S. 11:701(5)(e) is hereby amended and reenacted and R.S. 11:701(5)(f)
12 is hereby enacted to read as follows:

13 §701. Definitions

14 As used in this Chapter, the following words and phrases have the meanings ascribed to
15 them in this Section unless a different meaning is plainly required by the context:

16 * * *

17 (5)

18 * * *

because of an interruption in service of more than ten years, the member's average compensation shall be calculated without regard to the limit on compensation provided by Item (a)(i) of this Paragraph.

4 (f) Notwithstanding any other provision of law to the contrary, "average
5 compensation" shall not include any amount in excess of the limitation provided in
6 R.S. 11:785.1.

7 * * *

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 10 Reengrossed 2020 Regular Session Edmonds

Abstract: Changes the computation of average compensation for retirees in the Teachers' Retirement System of La. (TRSL) when such calculation is affected by a gap in service that spans more than 10 years.

Present law provides for the calculation of average compensation in the formula used to calculate a retiree's retirement benefits.

Present law provides that average compensation is calculated over a three-year period for any teacher whose first employment making him eligible for membership in one of the state retirement systems occurred on or before Dec. 31, 2010, and over a five-year period for a teacher whose first employment occurs after that date.

Present law provides that certain compensation is excluded from average compensation if year-over-year compensation increases exceed specified limits.

Proposed law provides that limits on compensation in the first year of the average compensation calculation period do not apply if the 12 previous months of employment spanned an interruption in service of more than 10 years.

(Amends R.S. 11:701(5)(e); Adds R.S. 11:701(5)(f))