

## RÉSUMÉ DIGEST

ACT 337 (HB 8)

2020 Regular Session

Bourriaque

Existing law generally requires suspension of retirement benefits for a retiree of the Teachers' Retirement System of La. (TRSL) who returns to work in a position covered by the system. Provides exceptions. Authorizes a retiree to return to work in specified positions and to continue to receive his benefit; however, the allowable employment earnings of the retiree are capped at 25% of his benefit amount; requires a reduction in the retirement benefit if the cap is exceeded.

Existing law provides that a retiree may return to work in specified positions without a reduction or suspension of benefits if there is a critical shortage of properly certified candidates to fill a vacancy in such a position. Provides procedures for establishing that a critical shortage exists.

Existing law remains applicable for retirees who returned to active service with an employer covered by TRSL on or before June 30, 2020.

New law provides that any retiree who returns to active service with an employer covered by TRSL on or after July 1, 2020, shall choose one of the following options:

- (1) Return to work with an allowable employment earnings cap of 25% of his final average compensation with a reduction in the retirement benefit if the cap is exceeded.
- (2) Suspend his benefit, return to work with no employment earnings cap, and begin to accrue a supplemental benefit for the duration of service after reemployment.

New law authorizes a conversion from option 1 to option 2 once the allowable employment earnings cap of 25% has been met.

New law authorizes a retiree covered by existing law to elect to be covered by new law.

New law provides that any retired member who returns to active service with an employer covered by the provisions of new law shall have his benefit suspended for the duration of his period of reemployment if such reemployment is based on a contract or corporate contract.

Existing law and new law require a suspension of benefits during reemployment in a TRSL-covered position in the first 12 months following retirement.

Existing law and new law provide that no person who retires based on a disability is authorized to return to service.

Existing law and new law provide for reporting requirements.

Effective Aug. 1, 2020.

(Adds R.S. 11:710(G) and 710.1)