

Regular Session, 2009

HOUSE BILL NO. 586

BY REPRESENTATIVES DOERGE, CORTEZ, HENDERSON, HOFFMANN,
LAFONTA, MONTOUCET, POPE, AND ROBIDEAUX AND SENATORS
APPEL, CROWE, B. GAUTREAUX, HEBERT, KOSTELKA, MORRELL, AND
NEVERS

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

1 AN ACT

2 To enact R.S. 11:542.1.1 and 883.3, relative to the Louisiana State Employees' Retirement
3 System and the Teachers' Retirement System of Louisiana; to provide a minimum
4 benefit increase to certain retirees, beneficiaries, and survivors; to provide for
5 funding; to provide an effective date; and to provide for related matters.

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

9 Be it enacted by the Legislature of Louisiana:

10 Section 1. R.S. 11:542.1.1 and 883.3 are hereby enacted to read as follows:

11 §542.1.1 Minimum benefit increase; payment from experience account

12 A. A monthly minimum benefit increase shall be payable to:

13 (1) Each retiree of the system who, on June 30, 2009, meets all of the
14 following criteria:

15 (a) He has thirty or more years of service credit, exclusive of unused leave.

16 (b) He has been retired for fifteen years or more.

17 (c) He receives a monthly retirement benefit of less than one thousand two
18 hundred dollars.

19 (d) He is at least sixty years of age.

1 (e) He has neither participated in the Deferred Retirement Option Plan
 2 pursuant to R.S. 11:447 nor chosen an Initial Benefit Option pursuant to R.S.
 3 11:446(A)(5).

4 (2) Each nonretiree beneficiary receiving a benefit on June 30, 2009, who,
 5 as of June 30, 2009, meets all of the following criteria:

6 (a) The deceased member had thirty or more years of service credit exclusive
 7 of unused leave.

8 (b) The retiree and nonretiree beneficiary, or both combined, have received
 9 a benefit for at least fifteen years.

10 (c) The nonretiree beneficiary receives a monthly retirement benefit of less
 11 than one thousand two hundred dollars.

12 (d) The deceased member would be at least sixty years of age had he lived.

13 (e) The deceased member neither participated in the Deferred Retirement
 14 Option Plan pursuant to R.S. 11:447 nor chose an Initial Benefit Option pursuant to
 15 R.S. 11:446(A)(5).

16 (3) Any unmarried surviving spouse, any surviving minor child, or any
 17 surviving totally physically handicapped or mentally disabled child of a deceased
 18 member which survivor is receiving a monthly retirement benefit pursuant to R.S.
 19 11:471 of less than one thousand two hundred dollars if, on June 30, 2009, all of the
 20 following apply to the deceased member:

21 (a) He had at least thirty years of service credit, exclusive of unused leave.

22 (b) He has been deceased for fifteen years or more.

23 (c) He would have been at least age sixty.

24 (d) He had not participated in the Deferred Retirement Option Plan pursuant
 25 to R.S. 11:447 and had not chosen an Initial Benefit Option pursuant to R.S.
 26 11:446(A)(5).

27 B. Each person to whom this Section applies, except as provided in
 28 Subsection C of this Section, shall have his current monthly retirement benefit
 29 amount increased by the lesser of:

1 (1) Three hundred dollars.

2 (2) The difference between one thousand two hundred dollars and his current
3 monthly benefit amount.

4 C.(1) Notwithstanding Subsection B of this Section, if any nonretiree
5 beneficiary to whom this Section applies is receiving a monthly benefit amount
6 based upon an optional allowance pursuant to R.S. 11:446(A)(1) through (4), which
7 amount is less than that received by the retiree while alive, the amount of the
8 increase that would otherwise be payable pursuant to Subsection B of this Section
9 shall be prorated based upon the option selected.

10 (2) Notwithstanding Subsection B of this Section, if a survivor to whom
11 Paragraph (A)(3) of this Section applies is the sole survivor receiving a benefit
12 pursuant to R.S. 11:471, he shall have his current monthly retirement benefit
13 increased by the lesser of three hundred dollars or the difference between one
14 thousand two hundred dollars and his current monthly benefit amount. If there are
15 multiple survivors to whom Paragraph (A)(3) of this Section applies, such survivors
16 shall share equally a monthly benefit increase of three hundred dollars.

17 D. The provisions of this Section shall not apply to any retiree, nonretiree
18 beneficiary, or survivor receiving a benefit pursuant to a reciprocal agreement
19 recognized by the system.

20 E. The actuarial cost of implementing the provisions of this Section shall be
21 paid from the employee experience account.

22 F. The increase provided pursuant to this Section shall begin on July 1, 2009.

23 * * *

24 §883.3 Minimum benefit increase; payment from experience account

25 A. A monthly minimum benefit increase shall be payable to:

26 (1) Each retiree of the system who, on June 30, 2009, meets all of the
27 following criteria:

28 (a) He has thirty or more years of service credit, exclusive of unused leave.

1 (b) He has been retired for fifteen years or more.

2 (c) He receives a monthly retirement benefit of less than one thousand two
3 hundred dollars.

4 (d) He is at least sixty years of age.

5 (e) He has neither participated in the Deferred Retirement Option Plan
6 pursuant to R.S. 11:786 nor chosen an Initial Lump Sum Benefit pursuant to R.S.
7 11:783(A)(3).

8 (2) Each nonretiree beneficiary receiving a benefit on June 30, 2009, who,
9 as of June 30, 2009, meets all of the following criteria:

10 (a) The deceased member had thirty or more years of service credit exclusive
11 of unused leave.

12 (b) The retiree and nonretiree beneficiary, or both combined, have received
13 a benefit for at least fifteen years.

14 (c) The nonretiree beneficiary receives a monthly retirement benefit of less
15 than one thousand two hundred dollars.

16 (d) The deceased member would be at least sixty years of age had he lived.

17 (e) The deceased member neither participated in the Deferred Retirement
18 Option Plan pursuant to R.S. 11:786 nor chose an Initial Lump Sum Benefit pursuant
19 to R.S. 11:783(A)(3).

20 (3) Any unmarried surviving spouse or any surviving minor child as that
21 term is defined in R.S. 11:701, of a deceased member which survivor is receiving a
22 monthly retirement benefit pursuant to R.S. 11:762 of less than one thousand two
23 hundred dollars if, on June 30, 2009, all of the following apply to the deceased
24 member:

25 (a) He had thirty years of service credit, exclusive of unused leave.

26 (b) He has been deceased for fifteen years or more; and

27 (c) He would have been at least age sixty.

1 (d) He had not participated in the Deferred Retirement Option Plan pursuant
2 to R.S. 11:786 and had not chosen an Initial Lump Sum Benefit pursuant to R.S.
3 11:783(A)(3).

4 B. Each person to whom this Section applies, except as provided in
5 Subsection C of this Section, shall have his current monthly retirement benefit
6 increased by the lesser of:

7 (1) Three hundred dollars.

8 (2) The difference between one thousand two hundred dollars and his current
9 monthly benefit.

10 C.(1) Notwithstanding Subsection B of this Section, if any nonretiree
11 beneficiary to whom this Section applies is receiving a monthly benefit amount
12 based upon an optional allowance pursuant to R.S. 11:783(A)(2), which amount is
13 less than that received by the retiree while alive, the amount of the monthly benefit
14 increase that would otherwise be payable pursuant to Subsection B of this Section
15 shall be prorated based upon the option selected.

16 (2) Notwithstanding Subsection B of this Section, if a survivor to whom
17 Paragraph (A)(3) of this Section applies is the sole survivor receiving a benefit
18 pursuant to R.S. 11:762, he shall have his current monthly retirement benefit
19 increased by the lesser of three hundred dollars or the difference between one
20 thousand two hundred dollars and his current monthly benefit amount. In the event
21 there are multiple survivors to whom Paragraph (A)(3) of this Section applies, such
22 survivors shall share equally a monthly benefit increase of three hundred dollars.

23 D. The provisions of this Section shall not apply to any retiree, nonretiree
24 beneficiary, or survivor receiving a benefit pursuant to a reciprocal agreement
25 recognized by the system.

26 E. The actuarial cost of implementing the provisions of this Section shall be
27 paid from the employee experience account.

28 F. The increase provided pursuant to this Section shall begin on July 1, 2009.

1 Section 2. This Act shall become effective on July 1, 2009; if vetoed by the governor
2 and subsequently approved by the legislature, this Act shall become effective on July 1,
3 2009, or on the day following such approval by the legislature, whichever is later.

SPEAKER OF THE HOUSE OF REPRESENTATIVES

PRESIDENT OF THE SENATE

GOVERNOR OF THE STATE OF LOUISIANA

APPROVED: _____