

New law relative to the Louisiana State Employees' Retirement System (LASERS) and the Teachers' Retirement System of La. (TRSL), provides a monthly benefit increase to:

- (1) Any retiree who on 6/30/09, meets the following criteria:
  - (a) He has 30 or more years of service credit.
  - (b) He has been retired for 15 years or more.
  - (c) He receives a monthly retirement benefit of less than \$1,200.
  - (d) He is at least 60 years of age.
  - (e) He has neither participated in the Deferred Retirement Option Plan (DROP) nor chosen the Initial Benefit Option (IBO).
- (2) Any nonretiree beneficiary of a retiree who would meet the above criteria if the retiree were alive.
- (3) Any unmarried surviving spouse, minor child, or mentally or physically handicapped child of a deceased member, which survivor is receiving a monthly retirement benefit of less than \$1,200 on 6/30/09, the deceased member would have met all of the following criteria:
  - (a) He had at least 30 years of service credit.
  - (b) He has been deceased for 15 years or more.
  - (c) He would have been at least age 60.
  - (d) He did not participate in DROP.

New law provides that such increase shall be in the form of an increase to a retiree's or beneficiary's monthly benefit in an amount equal to the lesser of \$300 per month or the amount necessary to increase his monthly benefit to \$1,200.

Existing law provides several payment options for retirement benefits, which a retiree may choose if he wishes benefits to continue being paid to a designated beneficiary upon his death. Such options will reduce the amount of the monthly benefit that a retiree receives during his lifetime, and may in turn reduce the amount of the monthly benefit that his beneficiary receives upon his death.

New law provides that if any beneficiary to whom new law applies is receiving a monthly benefit based upon an optional allowance pursuant to existing law, which amount is less than that received by the retiree while alive, the amount of the increase payable pursuant to new law shall be prorated based upon the option chosen.

Existing law generally provides for survivor benefits for certain survivors of deceased members which members died prior to applying for retirement.

New law provides that any unmarried surviving spouse, minor child, or mentally or physically handicapped child, who is receiving a survivor benefit under existing law shall receive a benefit increase pursuant to new law. Any person who is the sole survivor of such a member shall receive the lesser of \$300 per month or the amount necessary to increase his monthly benefit to \$1,200. If there are multiple persons receiving such survivor benefits, an increase of \$300 per month shall be shared equally among them.

Existing law generally provides for an employee experience account from which all LASERS and TRSL cost-of-living adjustments are payable.

New law provides that funding for the benefit increase payable pursuant to new law shall come from the employee experience account.

Effective July 1, 2009.

(Adds 11:542.1.1 and 883.3)