HOUSE COMMITTEE AMENDMENTS

Amendments proposed by House Committee on Retirement to Original House Bill No. 571 by Representative Robideaux

AMENDMENT NO. 1

On page 1, line 2, change "R.S. 11:203(B)(1)," to "R.S. 11:62(4), 203(B)(1),"

AMENDMENT NO. 2

On page 1, line 3, after "786(A)," delete "1151.1(C)," and insert "1002(6)(b) and (c), 1141(A) and (C)(1)(a), 1144(B)(4), 1147(C)(2)(a)(ii) and (iii) and (b), 1151(A), 1151.1(A) and (C),"

AMENDMENT NO. 3

On page 1, line 18, change "R.S. 11:203(B)(1)," to "R.S. 11:62(4), 203(B)(1),"

AMENDMENT NO. 4

On page 1, line 19, after "786(A)," delete "1151.1(C)," and insert "1002(6)(b) and (c), 1141(A) and (C)(1)(a), 1144(B)(4), 1147(C)(2)(a)(ii) and (iii) and (b), 1151(A), 1151.1(A) and (C),"

AMENDMENT NO. 5

On page 2, between lines 2 and 3, insert the following:

"§62. Employee contribution rates established

Employee contributions to state and statewide public retirement systems shall be paid at the following rates, except as otherwise provided by law:

* * *

(4) Louisiana School Employees' Retirement System:

(a) Employees whose first employment making them eligible for membership in one of the state systems occurred on or before ~~December 31, 2010~~ June 30, 2010 - 7.5%.

(b) Employees whose first employment making them eligible for membership in one of the state systems occurred on or after ~~January 1, 2011~~ July 1, 2010 - 8%.

* * *"

AMENDMENT NO. 6

On page 10, between lines 28 and 29 insert the following:

"§1002. Definitions

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

* * *

(6)

* * *

(b) "Average compensation", for a member whose first employment making him eligible for membership in the system began on or after July 1, 2006, whose first employment making him eligible for membership in one of the state systems occurred on or before ~~December 31, 2010~~ June 30, 2010, shall be based on the sixty

CODING: Words in ~~struck through~~ type are deletions from existing law; words underscored are additions.

highest successive months of employment, or on the highest sixty successive joined months of employment where interruption of service occurred; however, the average compensation amount for the thirteenth through the twenty-fourth month shall not exceed the actual compensation amount for the first through the twelfth month by more than ten percent. The amount for the twenty-fifth through the thirty-sixth month shall not exceed the lesser of the maximum allowable compensation amount or the actual compensation amount for the thirteenth through the twenty-fourth month by more than ten percent. The amount for the thirty-seventh through the forty-eighth month shall not exceed the lesser of the maximum allowable compensation amount or the actual compensation amount for the twenty-fifth through the thirty-sixth month by more than ten percent. The amount for the forty-ninth through the sixtieth month shall not exceed the lesser of the maximum allowable compensation amount or the actual compensation amount for the thirty-seventh through the forty-eighth month by more than ten percent. The limitations on the computation of average compensation contained in this Paragraph shall not apply to any twelve-month period during which compensation increased by more than one hundred ten percent over the previous twelve-month period solely because of an increase in compensation by legislative act or by a city/parish system-wide salary increase.

(c) "Average compensation", for a member whose first employment making him eligible for membership in one of the state systems occurred on or after ~~January 1, 2011~~ July 1, 2010, shall be based on the sixty highest successive months of employment, or on the highest sixty successive joined months of employment where interruption of service occurred; however, the average compensation amount for the thirteenth through the twenty-fourth month shall not exceed the actual compensation amount for the first through the twelfth month by more than fifteen percent. The amount for the twenty-fifth through the thirty-sixth month shall not exceed the lesser of the maximum allowable compensation amount or the actual compensation amount for the thirteenth through the twenty-fourth month by more than fifteen percent. The amount for the thirty-seventh through the forty-eighth month shall not exceed the lesser of the maximum allowable compensation amount or the actual compensation amount for the twenty-fifth through the thirty-sixth month by more than fifteen percent. The amount for the forty-ninth through the sixtieth month shall not exceed the lesser of the maximum allowable compensation amount or the actual compensation amount for the thirty-seventh through the forty-eighth month by more than fifteen percent. The limitations on the computation of average compensation contained in this Subparagraph shall not apply to any twelve-month period during which compensation increased by more than one hundred fifteen percent over the previous twelve-month period solely because of an increase in compensation by legislative act or by a city/parish system-wide salary increase.

* * *

§1141. Retirement benefits; application; eligibility requirements; effective date; cancellation

A. Any member whose first employment making him eligible for membership in one of the state systems occurred on or before ~~December 31, 2010~~ June 30, 2010, may retire upon written application to the board of trustees, if the member at the time of application has attained the age of sixty years and has credit for ten years of accredited service or has attained the age of fifty-five years and has credit for twenty-five or more years of accredited service or at any age with thirty or more years of accredited service. Any member whose first employment making him eligible for membership in one of the state systems occurred on or after ~~January 1, 2011~~ July 1, 2010, may retire upon written application to the board of trustees, if the member at the time of application has attained the age of sixty years and has credit for five years of accredited service. An application for retirement shall be officially filed with the board when received in the office of the director. Retirement benefits shall become effective as of the date an application for retirement is filed in the office of the director or the day after the member terminates from service, whichever is later. A member may only cancel his application for retirement prior to

CODING: Words in ~~struck through~~ type are deletions from existing law; words underscored are additions.

negotiating, cashing, or depositing any benefit check including an estimated benefit check.

* * *

C.(1)(a) Notwithstanding the provisions of Subsection A of this Section, any member ~~whose first employment making him eligible for system membership occurred on or before June 30, 2010,~~ shall be eligible for retirement if he has twenty years of service credit at any age, exclusive of military service and unused annual and sick leave, but any person retiring under this Subsection shall have his benefit inclusive of military service credit and allowable unused annual and sick leave actuarially reduced from the earliest age that he would normally become eligible for a regular retirement benefit pursuant to Subsection A of this Section if he had continued in service to that age.

* * *

§1144. Retirement allowance; regular, minimum, and supplemental

* * *

B. Minimum allowance.

* * *

(4) The provisions of this Paragraph shall apply to any member whose first employment making him eligible for membership in one of the state systems occurred on or after ~~January 1, 2011~~ July 1, 2010 . The minimum allowance for such members shall be no less than an amount which provides a total allowance equal to two and one-half percent multiplied by the total years of accredited service and multiplied by the average compensation for such person as provided in R.S. 11:1002(6)(c).

* * *

§1147. Disability retirement

* * *

C.

* * *

(2)(a)

* * *

(ii) A disability retiree whose membership in the system began on or after July 1, 2006, but on or before June 30, 2010, who is not eligible to receive a regular service retirement allowance and who has at least ten years of creditable service, shall receive a disability retirement allowance equal to three percent of his average compensation multiplied by his years of creditable service.

(iii) A disability retiree whose first employment making him eligible for membership in one of the state systems occurred on or after ~~January 1, 2011~~ July 1, 2010, shall receive a maximum disability retirement benefit which shall be equivalent to the regular retirement formula without reduction by reason of age.

(b)(i) If a disability retiree whose eligibility for membership in one of the state systems occurred on or before ~~December 31, 2010~~ June 30, 2010, dies and leaves a surviving spouse who had been married to the deceased disability retiree for at least two years prior to the death of the disability retiree, the surviving spouse shall receive a survivor's benefit equal to seventy-five percent of the benefit being received by the disability retiree at his death. Benefits shall cease upon remarriage.

(ii) For disability retirees whose first employment making him eligible for membership in one of the state systems occurred on or after ~~January 1, 2011~~ July 1, 2010, selection of a retirement option shall be made when application for disability is filed. If the disability retiree dies, the option selected upon disability retirement shall be applied to his disability retirement benefit.

* * *

§1151. Survivor benefits; members hired on or before ~~December 31, 2010~~ June 30, 2010

A. This Section shall apply to members whose first employment making them eligible for membership in one of the state systems occurred on or before ~~December 31, 2010~~ June 30, 2010. Survivor's benefits are payable upon application therefor and become effective as of the day following the death of the member.

* * *"

CODING: Words in ~~struck through~~ type are deletions from existing law; words underscored are additions.

AMENDMENT NO. 7

On page 10, line 29, change "January 1, 2011" to "July 1, 2010" and after line 29 insert the following:

"A. Survivor benefits shall be due and payable by the system effective the first day of the next month following the death of a member whose first employment making him eligible for membership in one of the state systems occurred on or after ~~January 1, 2011~~ July 1, 2010, but shall not be paid until a properly completed and acceptable application is received by the system and all proper certifications have been received by the system."

CODING: Words in ~~struck through~~ type are deletions from existing law; words underscored are additions.