HOUSE COMMITTEE AMENDMENTS

Amendments proposed by House Committee on Retirement to Original House Bill No. 530 by Representative Pearson

AMENDMENT NO. 1

On page 1, line 2, after "reenact" change "R.S. 11:102(B)(1), (2)(b)(ii)," to "R.S. 11:102(B)(2)(b)(ii) and (3)(a),"

AMENDMENT NO. 2

On page 1, line 3, after "701(5)(b) through (e)," insert "and 927(A)" and delete "1304(1), 1310(A), and 1345.2(1)"

AMENDMENT NO. 3

On page 1, line 12, after "Section 1." change "R.S. 11:102(B)(1), (2)(b)(ii)," to "R.S. 11:102(B)(2)(b)(ii) and (3)(a),"

AMENDMENT NO. 4

On page 1, line 13, after "701(5)(b) through (e)," insert "and 927(A)" and delete "1304(1), 1310(A), and 1345.2(1)"

AMENDMENT NO. 5

On page 2, delete lines 8 through 19 in their entirety and insert the following:

"B. Beginning July 1, 2012, the employee contribution rate as provided in R.S. 11:62 for any member to whom this Section applies shall be increased as follows:

(1) Beginning on July 1, 2012, one percent.

(2) Beginning on July 1, 2013, an additional one percent.

C. The dollar amount received by the system in any fiscal year representing the employee contributions payable pursuant to this Section, shall be applied in the following manner:

(1) For the Louisiana State Employees' Retirement System, such dollar amount shall be applied to the oldest existing amortization base or bases for any given fiscal year except for the Original Amortization Base or the Experience Account Amortization Base.

(2) For the Teachers' Retirement System of Louisiana, such dollar amount shall be applied to the oldest existing amortization base or bases for any given fiscal year except for the Original Amortization Base or the Experience Account Amortization Base.

D. This Section shall not apply to any employee participating in the Optional Retirement Plan pursuant to R.S. 11:921, et seq."

AMENDMENT NO. 6

On page 2, delete lines 23 through 29 in their entirety and on page 3, delete lines 1 through 24 in their entirety and insert the following:

"B.

* * *

(2)

* * *

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

(b) At the end of each fiscal year, the difference between the minimum employer contribution, as required by the Constitution of Louisiana, and the actuarially required employer contribution for the fiscal year, as determined under Paragraph (3) of this Subsection or pursuant to Subsection C of this Section, shall be determined and applied in accordance with the following provisions:

* * *"

AMENDMENT NO. 7

On page 4, between lines 4 and 5 insert the following:

"(3) With respect to each state public retirement system, the actuarially required employer contribution for each fiscal year, commencing with Fiscal Year 1989-1990, shall be that dollar amount equal to the sum of:

(a) The employer's normal cost for that fiscal year, computed as of the first of the fiscal year using the system's actuarial funding method as specified in R.S. 11:22 and taking into account the value of future accumulated employee contributions and interest thereon, except for employee contributions remitted pursuant to R.S. 11:63, such employer's normal cost rate multiplied by the total projected payroll for all active members to the middle of that fiscal year. For the Louisiana State Employees' Retirement System, effective for the June 30, 2010, system valuation and beginning with Fiscal Year 2011-2012, the normal cost shall be determined in accordance with Subsection C of this Section.

* * *"

AMENDMENT NO. 8

On page 5, line 15, change "and five" to "fifteen"

AMENDMENT NO. 9

On page 5, line 17, change "and five" to "fifteen"

AMENDMENT NO. 10

On page 5, line 20, change "and five" to "fifteen"

AMENDMENT NO. 11

On page 5, line 22, change "and five" to "fifteen"

AMENDMENT NO. 12

On page 5, line 25, change "five" to "fifteen"

AMENDMENT NO. 13

On page 9, line 2, change "five" to "fifteen"

AMENDMENT NO. 14

On page 9, line 6, change "five" to "fifteen"

AMENDMENT NO. 15

On page 9, line 10, change "five" to "fifteen"

AMENDMENT NO. 16

On page 9, line 14, change "five" to "fifteen"

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AMENDMENT NO. 17

On page 9, line 17, change "five" to "fifteen"

AMENDMENT NO. 18

On page 10, between lines 22 and 23 insert the following:

"§927. Contributions

A. Each participant shall contribute monthly to the optional retirement plan the same amount which he would be required to contribute to the regular retirement plan of the Teachers' Retirement System of Louisiana if he were a member of that retirement plan, except that R.S. 11:63 shall not be applicable to such participants. Participant contributions may be made by employer pick-up in accordance with the provisions of Section 414(h)(2) of the United States Internal Revenue Code or any amendment thereto. The entirety of each participant's contribution, less any monthly fee established by the board to cover the cost of administration and maintenance of the optional retirement plan, shall be remitted to the appropriate designated company or companies for application to the participant's contract or contracts.

* * *"

AMENDMENT NO. 19

On page 10, delete lines 23 through 28 in their entirety and delete pages 11 and 12 in their entirety

AMENDMENT NO. 20

On page 13, line 1, change "Section 3." to "Section 2." and after "612(1)," delete the remainder of the line and insert "and 701(5)"

AMENDMENT NO. 21

On page 13, delete lines 5 through 7 in their entirety and insert the following:

"Section 3. As soon as practicable after the effective date of this Act, the Public Retirement Systems' Actuarial Committee shall meet to adopt a revised valuation for the system, prepared as provided in R.S. 11:102, applying provisions contained in this Act. This valuation shall include a revised employer contribution rate for each plan within the system to be utilized in the fiscal year which begins on July 1, 2011.

Section 4. Any final judgment, rendered by a court of law, declaring the provisions of this Act to be unconstitutional as applicable to members of the Louisiana State Employees' Retirement System or the Teachers' Retirement System of Louisiana who have attained a vested right with regard to the benefit provisions applicable to such members on the effective date of this Act, shall cause the provisions of this Act to be applicable solely to members of such system who have not attained such a vested right on the effective date of this Act.

Section 5. If the Act originating as House Bill No. 479 of the 2011 Regular Session of the Legislature is enacted, the provisions of this Act shall be null, void, and of no effect.

Section 6. This Act shall become effective on June 30, 2011; if vetoed by the governor and subsequently approved by the legislature, this Act shall become effective on June 30, 2011, or on the day following such approval by the legislature, whichever is later."

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