
The original instrument was prepared by Lauren Bailey. The following digest, which does not constitute a part of the legislative instrument, was prepared by Dawn Romero Watson.

DIGEST

Gautreaux (SB 6)

Present law does not provide for a mechanism for an employer to withdraw some or all of its employees from the Teachers' Retirement System of Louisiana (TRSL).

Proposed law relative to TRSL provides that if an employing agency is authorized by law to terminate its participation in the retirement system and terminates its participation for some or all of its employees, such employing agency shall remit to the retirement system its share of any unfunded accrued liability (UAL) of the retirement system existing on the June 30th immediately prior to the date of the employing agency's termination.

Proposed law defines "proportionate share of any unfunded accrued liability" and "privatization" for purposes of proposed law.

Proposed law provides that the amounts due shall be determined by the actuary employed by the system and shall be paid in a lump sum or amortized over ten years or less in equal monthly payments with interest either at the retirement system's actuarial valuation rate, at the option of the employer. Provides that the calculation shall account for any legacy costs attributable to the employing agency's retirees.

Proposed law provides that should an employing agency fail to make payment the amount due shall be collected in the same manner as authorized by present law (R.S. 11:886 and 887).

Effective June 30, 2011.

(Adds R.S. 11:887.1)

Summary of Amendments Adopted by Senate

Senate Floor Amendments to engrossed bill.

1. Adds definition for "privatization".