Cortez (HB 417) Act No. 395

<u>Present law</u>, relative to the Teachers' Retirement System of Louisiana (TRSL), prohibits any TRSL retiree other than a "retired teacher" from receiving a retirement benefit while reemployed. Provides that anyone other than a "retired teacher" shall have his benefit suspended during reemployment. Defines "retired teacher" as:

- (1) Any retired member who returns to work full-time or part-time as a classroom teacher offering instructional services to any student in grades K through 12 in a "critical shortage area".
- (2) Any other retired member reemployed on or before June 30, 2010.
- (3) Any retired member who returns to active service as a full-time certified speech therapist, speech pathologist, or audiologist whose position of employment requires a valid La. ancillary certificate approved and issued by the state Dept. of Education in a school district where a shortage exists.

<u>Proposed law</u> would have added to the definition of "retired teacher", and therefore to the list of reemployed retirees who may receive a benefit during reemployment, retirees who are reemployed as substitute K through 12 classroom teachers.

<u>Proposed law</u> would have provided that the earnings of any such substitute teacher could not exceed 25% of his retirement benefit in any fiscal year. Would have provided that if earnings exceed this amount, such substitute's retirement benefit would have been reduced by the amount in excess of the 25%.

<u>Proposed law</u> would have provided that the total earnings of any "retired teacher" reemployed in multiple positions subject to the 25% limit could not exceed the 25% limit.

<u>Present law</u> requires each employer to report to the system and to the House and Senate committees on retirement the names, positions, and salaries of each person reemployed by such employer as of Jan. 1, 2010, who was receiving a retirement benefit pursuant to the provisions of <u>present law</u>. Requires such reports annually.

<u>Proposed law</u> would have changed the date of such reporting to within 45 days after June 30th. Would have removed requirement for reporting to the House and Senate committees on retirement, and instead would have required such information to be reported to TRSL only. Additionally would have required monthly reporting by an employer of a rehired retiree's salary information.

<u>Present law</u> provides that if a failure by an employing agency to report on a reemployed retiree causes any overpayment of benefits, the employer shall be liable to TRSL for repayment of such overpayment.

<u>Proposed law</u> would have retained <u>present law</u> and would have provided further that the failure of the employing agency to report to TRSL any information required by <u>present law</u> or <u>proposed law</u> would cause the employer to be liable to TRSL for any overpayment of benefits.

Would have required that any cost of <u>proposed law</u> be funded by additional employer contributions in compliance with Art. X, Sec. 29(F) of the Constitution of La.

Would have become effective if and when the Act which originated as Senate Bill No. 6 of the 2011 Regular Session of Legislature became effective. Senate Bill No. 6 was vetoed on July 1, 2011.

(Proposed to amend R.S. 11:710(A)(1), (B)(1)(a), (C)(2), and (D); proposed to add R.S. 11:710(A)(4); proposed to repeal R.S. 11:710 (H))