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**HOUSE FLOOR AMENDMENTS**

Amendments proposed by Representative Pearson to Engrossed House Bill No. 61 by Representative Pearson

1 AMENDMENT NO. 1

2 On page 1, at the end of line 8, change "11:1399 through 1399.5," to "11:1399.1 through  
3 1399.7,"

4 AMENDMENT NO. 2

5 On page 2, line 2, change "11:1399 through 1399.5," to "11:1399.1 through 1399.7,"

6 AMENDMENT NO. 3

7 On page 8, at the beginning of line 7, change "§1399." to "§1399.1."

8 AMENDMENT NO. 4

9 On page 8, line 13, change "June 29, 2012" to "June 30, 2013"

10 AMENDMENT NO. 5

11 On page 8, at the beginning of line 15, change "§1399.1." to "§1399.2."

12 AMENDMENT NO. 6

13 On page 9, at the beginning of line 3, change "§1399.2." to "§1399.3."

14 AMENDMENT NO. 7

15 On page 9, at the end of line 5, delete the period "." and insert the following: "for cash  
16 balance plan members."

17 AMENDMENT NO. 8

18 On page 9, line 11, after "C. Interest. (1)" delete the remainder of the line in its entirety and  
19 delete lines 12 through 17 in their entirety and insert in lieu thereof:

20 "For the duration of service covered by the cash balance plan, interest shall be  
21 payable on the member's account each plan year at a rate equal to the system's  
22 actuarial rate of return as certified by the system actuary in the system's actuarial  
23 report, less one percent. Interest shall be credited after the Public Retirement  
24 Systems' Actuarial Committee approves the system's actuarial rate of return on  
25 investments, and shall be based on the balance of the account at the end of each  
26 month for the prior plan year.

27 (2) No interest shall be credited after the member separates from service  
28 covered by the cash balance plan of his retirement system, except that interest shall  
29 be credited for those months during the plan year prior to his separation from  
30 service."

1 AMENDMENT NO. 9

2 On page 10, at the end of line 3, change "11:1399.3" to "11:1399.4"

3 AMENDMENT NO. 10

4 On page 10, line 5, between "shall" and "be" delete "not"

5 AMENDMENT NO. 11

6 On page 10, line 8, after "(b)" delete the remainder of the line in its entirety and delete lines  
7 9 through 19 in their entirety and insert in lieu thereof the following:

8 "A cash balance plan member who becomes eligible to participate in a  
9 traditional defined benefit plan of a Louisiana public retirement system may elect to  
10 utilize his years of membership in the cash balance plan to meet regular retirement  
11 eligibility requirements in the traditional defined benefit plan.

12 (c) A cash balance plan member who elects to withdraw from the cash  
13 balance plan after becoming a member of a cash balance plan in another Louisiana  
14 public retirement system may execute the withdrawal provided for in this Subsection  
15 to transfer the amount the member is entitled to receive pursuant to Paragraphs (1)  
16 or (2) of this Subsection to a cash balance plan in another retirement system."

17 AMENDMENT NO. 12

18 On page 10, delete lines 20 through 23 in their entirety and insert in lieu thereof:

19 "(4) If a cash balance plan member dies without withdrawing from the cash  
20 balance plan pursuant to this Subsection or annuitizing his benefit pursuant to R.S.  
21 11:1399.4, the system shall pay to his designated beneficiary or to his estate a lump-  
22 sum payment of his account balance.

23 (5) If a cash balance plan member becomes disabled before withdrawing  
24 from the cash balance plan pursuant to this Subsection or annuitizing his benefit  
25 pursuant to R.S. 11:1399.4, the system shall pay to him a lump-sum payment of his  
26 account balance.

27 AMENDMENT NO. 13

28 On page 10, at the beginning of line 24, change "§1399.3." to "§1399.4."

29 AMENDMENT NO. 14

30 On page 10, line 25, after "A. Eligibility for retirement." delete the remainder of the line and  
31 delete line 26 in its entirety and insert in lieu thereof: "A cash balance plan member with five  
32 years of membership in the cash balance plan is eligible to draw an annuity beginning at age  
33 sixty. The"

34 AMENDMENT NO. 15

35 On page 11, at the beginning of line 16, change "§1399.4." to "§1399.5."

36 AMENDMENT NO. 16

37 On page 11, line 20, change "11:1399.2" to "11:1399.3"

38 AMENDMENT NO. 17

39 On page 11, at the beginning of line 23, change "§1399.5." to "§1399.6."

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1 AMENDMENT NO. 18

2 On page 11, between lines 27 and 28, insert the following:

3 "§1399.7. Dual Membership4 A. Membership in the defined benefit plan of any state system shall be  
5 distinct from participation in the cash balance plan provided for in this Chapter. Any  
6 defined benefit member who elects to join the cash balance plan shall be considered  
7 a member of both plans and shall be governed by the provisions of this Section in  
8 addition to other applicable provisions of law. A member of both plans is entitled  
9 to all options, obligations, and benefits of each respective plan, and subject to the  
10 provisions of Subsection C of this Section, no action or decision with respect to one  
11 plan shall be construed as an action or decision affecting the other plan.12 B. For the purposes of this Section, the following terms shall have the  
13 following meanings:14 (1) "Tier one contributions" shall mean the sum of all amounts paid by a  
15 member while a member of any defined benefit plan, excluding interest paid on the  
16 repayment of a refund, and credited to his individual account in the employee's  
17 savings account. For members of the Louisiana State Employees' Retirement  
18 System, Tier 1 contributions shall also include regular interest credited prior to July  
19 of 1969.20 (2) "Tier one member" shall mean a member of any plan in a defined benefit  
21 plan who elects to join the cash balance plan.22 C. For Tier one members:23 (1) Any tier one member who receives a refund of his tier one contributions  
24 prior to retirement from the defined benefit plan or retirement or withdrawal from  
25 the cash balance plan may exercise the options set forth in R.S. 11:1399.3 or may  
26 leave his cash balance plan account balance with the system.27 (2) Any tier one member who withdraws from the cash balance plan and  
28 receives a refund of employee contributions from the cash balance plan or a lump-  
29 sum payment or distribution of the member's account balance in the cash balance  
30 plan prior to retirement from the defined benefit plan or retirement from the cash  
31 balance plan, may maintain his tier one contributions and corresponding service  
32 credit with the system.33 (3) Any tier one member who retires under the provisions of a defined benefit  
34 plan and who has been a cash balance plan member for less than five years may  
35 exercise the options set forth in R.S. 11:1399.3 or may leave his cash balance plan  
36 account balance with the system.37 (4) Any tier one member who retires or withdraws from the plan under the  
38 provisions of the cash balance plan and who does not have sufficient years of service  
39 credit in the defined benefit plan to become eligible for retirement without accruing  
40 additional service credit may exercise any option available to him as a member of  
41 the defined benefit plan, including the withdrawal of such contributions, or may  
42 maintain his defined benefit contributions and corresponding service credit with the  
43 system:44 (5) Any tier one member shall be eligible to utilize his years of membership  
45 in the cash balance plan to meet retirement eligibility requirements in the defined  
46 benefit plan.47 (6)(a) A tier one member shall be considered an active contributing member  
48 in active service for purposes of determining disability retirement eligibility and  
49 survivor benefits in the defined benefit plan.50 (b) Any defined benefit disability or survivor benefits for which the tier one  
51 member is eligible shall be calculated based on his service in the defined benefit  
52 plan.53 (7) A tier one member who retires under the provisions of a defined benefit  
54 plan shall be subject to the governing provisions of such plan with respect to his  
55 benefit from that plan. For tier one members of the Teachers' Retirement System of  
56 Louisiana, this shall include R.S. 11:710.

1 D. Nothing in this Section shall be construed to authorize an in-service  
2 distribution."

3 AMENDMENT NO. 19

4 On page 12, delete lines 17 and 18 in their entirety and insert in lieu thereof: "shall be in the  
5 Nineteenth Judicial District. In the interest of"

6 AMENDMENT NO. 20

7 On page 12, between lines 22 and 23, insert the following:

8 "Section 4. Any active contributing member of a defined benefit plan who is eligible  
9 to transfer to the cash balance plan may elect to transfer on or after June 30, 2013 provided  
10 that the employee's mandatory contribution rate under R.S. 11:62 in his current plan is equal  
11 to the rate mandated in R.S. 11:62 for members of the cash balance plan. Any active  
12 contributing member of a defined benefit plan with a mandatory contribution rate under R.S.  
13 11:62 that is not equal to the rate mandated in R.S. 11:62 for members of the cash balance  
14 plan shall be eligible to join the cash balance plan only after his current plan and the cash  
15 balance plan are the subject of favorable determination letters or private letter rulings from  
16 the Internal Revenue Service indicating that the member's ability to elect such transfer will  
17 not cause the employee's mandatory contributions to either of such plans to fail to be treated  
18 as picked up by such member's employer within the meaning of 26 U.S.C. 414(h)(2)."

19 AMENDMENT NO. 21

20 On page 12, at the beginning of line 23, change "Section 4." to "Section 5."