

SENATE COMMITTEE AMENDMENTS

Amendments proposed by Senate Committee on Finance to Engrossed Senate Bill No. 749 by Senator Guillory

1 AMENDMENT NO. 1

2 On page 1, line 2 after "R.S." delete the remainder of the line and insert the following:

3 "11:102(B)(1) and (3)(a) and (d)(i), (iv), (v), and (vii) and (C)(2), (3), and (4)(a),  
4 441(A)(1)(introductory paragraph) and (2)(a)(introductory)"

5 AMENDMENT NO. 2

6 On page 1, at the beginning of line 5, change "11:441(A)(4) and 761(A)(5)," to "11:102(D),  
7 441(A)(4), 761(A)(5), and 786(A)(4),"

8 AMENDMENT NO. 3

9 On page 1, between lines 8 and 9, insert:

10 "Notice of intention to introduce this Act has been published."

11 AMENDMENT NO. 4

12 On page 1, line 10, after "R.S." delete the remainder of the line and insert the following:

13 "11:102(B)(1) and (3)(a) and (d)(i), (iv), (v), and (vii) and (C)(2), (3), and (4)(a),  
14 441(A)(1)(introductory paragraph) and (2)(a)(introductory)"

15 AMENDMENT NO. 5

16 On page 1, line 13, change "11:441(A)(4) and 761(A)(5)" to "11:102(D), 441(A)(4),  
17 761(A)(5), and 786(A)(4),"

18 AMENDMENT NO. 6

19 On page 1, between lines 13 and 14, insert the following:

20 "§102. Employer contributions; determination; state systems  
21 \* \* \*

22 B.(1) Except as provided in Subsections **C and D** of this Section ~~for the Louisiana~~  
23 ~~State Employees' Retirement System~~ and except as provided in R.S. 11:102.1 and 102.2 and  
24 in Paragraph (5) of this Subsection, for each fiscal year, commencing with Fiscal Year  
25 1989-1990, for each of the public retirement systems referenced in Subsection A of this  
26 Section, the legislature shall set the required employer contribution rate equal to the  
27 actuarially required employer contribution, as determined under Paragraph (3) of this  
28 Subsection, divided by the total projected payroll of all active members of each particular  
29 system for the fiscal year. Each entity funding a portion of a member's salary shall also fund  
30 the employer's contribution on that portion of the member's salary at the employer  
31 contribution rate specified in this Subsection.

32 \* \* \*

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

36 (a) ~~The~~ **Except as provided in Subsection D of this Section,** the employer's normal  
37 cost for that fiscal year, computed as of the first of the fiscal year using the system's actuarial  
38 funding method as specified in R.S. 11:22 and taking into account the value of future  
39 accumulated employee contributions and interest thereon, such employer's normal cost rate

1 multiplied by the total projected payroll for all active members to the middle of that fiscal  
2 year. For the Louisiana State Employees' Retirement System, effective for the June 30,  
3 2010, system valuation and beginning with Fiscal Year 2011-2012, the normal cost shall be  
4 determined in accordance with Subsection C of this Section.

5 \* \* \*

6 (d) That fiscal year's payment, computed as of the first of that fiscal year and  
7 projected to the middle of that fiscal year at the actuarially assumed interest rate, necessary  
8 to amortize changes in actuarial liability due to:

9 (i) Except as provided in Items (v), (vi), (vii), and (viii) of this Subparagraph **and in**  
10 **Subsection D of this Section**, actuarial gains and losses, if appropriate for the funding  
11 method used by the system as specified in R.S. 11:22, for each fiscal year beginning after  
12 June 30, 1988, such payments to be computed as an amount forming an annuity increasing  
13 at four and one-half percent annually over the later of a period of fifteen years from the year  
14 of occurrence or by the year 2029, such gains and losses to include any increases in actuarial  
15 liability due to governing authority granted cost-of-living increases.

16 \* \* \*

17 (iv) Except as provided in Items (v), (vi), (vii), and (viii) of this Subparagraph **and**  
18 **in Subsection D of this Section**, changes in actuarial accrued liability, computed using the  
19 actuarial funding method as specified in R.S. 11:22, due to legislation changing plan  
20 provisions, such payments to be computed in the manner and over the time period specified  
21 in the legislation creating the change or, if not specified in such legislation, as an amount  
22 forming an annuity increasing at four and one-half percent annually over the later of a period  
23 of fifteen years from the year of occurrence of the change or by the year 2029.

24 (v) Effective **Except as provided in Subsection D of this Section, effective** July 1,  
25 2004, and beginning with Fiscal Year 1998-1999, the amortization period for the changes,  
26 gains, or losses of the Louisiana State Employees' Retirement System provided in Items (i)  
27 through (iv) of this Subparagraph shall be thirty years, or in accordance with standards  
28 promulgated by the Governmental Accounting Standards Board, from the year in which the  
29 change, gain, or loss occurred. The outstanding balances of amortization bases established  
30 pursuant to Items (i) through (iv) of this Subparagraph before Fiscal Year 1998-1999, shall  
31 be amortized as a level dollar amount from July 1, 2004, through June 30, 2029. Beginning  
32 with Fiscal Year 2003-2004, and for each fiscal year thereafter, the outstanding balances of  
33 amortization bases established pursuant to Items (i) through (iv) of this Subparagraph shall  
34 be amortized as a level dollar amount. For the Louisiana State Employees' Retirement  
35 System, effective for the June 30, 2010, system valuation and beginning with Fiscal Year  
36 2011-2012, amortization payments for changes in actuarial liability shall be determined in  
37 accordance with Subsection C of this Section.

38 \* \* \*

39 (vii) Effective **Except as provided in Subsection D of this Section, effective** July  
40 1, 2004, and beginning with Fiscal Year 2000-2001, the amortization period for the changes,  
41 gains, or losses of the Teachers' Retirement System of Louisiana provided in Items (i)  
42 through (iv) of this Subparagraph shall be thirty years, or in accordance with standards  
43 promulgated by the Governmental Accounting Standards Board, from the year in which the  
44 change, gain, or loss occurred. The outstanding balances of amortization bases established  
45 pursuant to Items (i) through (iv) of this Subparagraph before Fiscal Year 2000-2001, shall  
46 be amortized as a level dollar amount from July 1, 2004, through June 30, 2029. Beginning  
47 with Fiscal Year 2003-2004, and for each fiscal year thereafter, the outstanding balances of  
48 amortization bases established pursuant to Items (i) through (iv) of this Subparagraph shall  
49 be amortized as a level dollar amount.

50 \* \* \*

51 C. \* \* \*

52 (2) For the Louisiana State Employees' Retirement System, effective for the June 30,  
53 2010, system valuation and beginning with Fiscal Year 2011-2012, the normal cost  
54 calculated pursuant to Subparagraph (B)(3)(a) of this Section, shall be calculated separately  
55 for each particular plan within the system. An employer shall pay employer contributions  
56 for each employee at the rate applicable to the plan of which that employee is a member.  
57 **Beginning with the June 30, 2012, system valuation, the normal cost for each plan shall**  
58 **be subject to the provisions of Subsection D of this Section.**

59 (3) For the Louisiana State Employees' Retirement System, effective for the June 30,  
60 2010, system valuation and beginning with Fiscal Year 2011-2012, changes in actuarial  
61 liability due to legislation, changes in governmental organization, or reclassification of

1 employees or positions shall be calculated individually for each particular plan within the  
 2 system based on each plan's actuarial experience as further provided in Subparagraph (4)(c)  
 3 of this Subsection. **Beginning with the June 30, 2012, system valuation, this calculation**  
 4 **for each plan shall be subject to the provisions of Subsection D of this Section.**

5 (4) For each plan referenced in Paragraph (1) of this Subsection, the legislature shall  
 6 set the required employer contribution rate equal to the sum of the following:

7 (a) The particularized normal cost rate. The normal cost rate for each fiscal year  
 8 shall be the employer's normal cost for the plan computed by applying the method specified  
 9 in R.S. 11:102(B)(1) and (3)(a) to the plan. **Beginning with the June 30, 2012, system**  
 10 **valuation, the normal cost for each plan shall be subject to the provisions of Subsection**  
 11 **D of this Section.**

12 \* \* \*

13 **D. (1) The employer contribution rate for the Louisiana State Employees'**  
 14 **Retirement System and the Teachers' Retirement System of Louisiana, for any**  
 15 **valuation prepared following enactment of the Act that originated as Senate Bill No.**  
 16 **749 of the 2012 Regular Session, shall be the rate determined pursuant to Subsections**  
 17 **B and C of this Section without regard to any gains or changes in the normal cost rate**  
 18 **produced by the Act that originated as Senate Bill No. 749 of the 2012 Regular Session.**  
 19 **Neither the employer normal cost rate nor the amortization payments shall be reduced**  
 20 **as a result of the application of the provisions of the Act that originated as Senate Bill**  
 21 **No. 749 of the 2012 Regular Session.**

22 (2) **The amortization of any gain produced by the Act which originated as**  
 23 **Senate Bill No. 749 of the 2012 Regular Session plus the dollar amount attributable to**  
 24 **the difference between the employer normal cost rate required as calculated pursuant**  
 25 **to Paragraph (1) of this Subsection minus the employer normal cost rate calculated**  
 26 **pursuant to the provisions of Subsections B and C of this Section without regard to**  
 27 **Paragraph (1) of this Subsection shall be determined and applied as follows for each**  
 28 **year beginning with Fiscal Year 2013-14:**

29 (a) **To the outstanding balance of the original amortization base without**  
 30 **reamortization of such base and until such base is fully liquidated.**

31 (b) **After the liquidation of the original amortization base, to the outstanding**  
 32 **balance of the experience account amortization base without reamortization of such**  
 33 **base and until such base is fully liquidated.**

34 (c) **After the liquidation of the experience account amortization base, to the**  
 35 **balance of the oldest outstanding amortization base without reamortization of such**  
 36 **base and until all such bases are fully liquidated.**

37 \* \* \*"

38 AMENDMENT NO. 7

39 On page 2, at the beginning of line 11, change "2012" to "2013"

40 AMENDMENT NO. 8

41 On page 2, line 16 after "member" delete the remainder of the line and delete lines 17 and  
 42 18 in their entirety and at the beginning of line 19 delete "2010 Regular Session and" and  
 43 insert "whose first employment making him eligible for state system membership  
 44 occurred on or before June 30, 2013, including any elected official, the clerk or  
 45 sergeant-at-arms of the House of Representatives, or the secretary or sergeant-at-arms  
 46 of the Senate,"

47  
 48 AMENDMENT NO. 9

49 On page 2, delete lines 21 through 29 in their entirety and on page 3, delete lines 1 through  
 50 12 in their entirety and insert the following:

51 **"(i) Age fifty-five if he has at least fifteen but fewer than twenty years of service**  
 52 **on June 30, 2013.**

53 **"(ii) Age fifty-seven if he has at least ten but fewer than fifteen years of service**  
 54 **on June 30, 2013.**

- 1            (iii) Age sixty if he has at least five but fewer than ten years of service on June
- 2 30, 2013.
- 3            (iv) Age sixty-five if he has fewer than five years of service on June 30, 2013."

4 AMENDMENT NO. 10

5 On page 3, at the beginning of line 13, change "(iii)" to "(b)"

6 AMENDMENT NO. 11

7 On page 3, line 13, change "Subparagraph" to "Paragraph"

8 AMENDMENT NO. 12

9 On page 3, line 16, delete "or (b)"

10 AMENDMENT NO. 13

11 On page 3, delete lines 19 through 29 in their entirety and on page 4, delete lines 1 through  
12 26 in their entirety and insert in lieu thereof the following:

13 "shall receive an actuarially-reduced benefit. Notwithstanding any provision of law to  
14 the contrary, such a member shall not be eligible to participate in the Deferred  
15 Retirement Option Plan provided by R.S. 11:447 or the Initial Benefit Option provided  
16 by R.S. 11:446(A)(5).

17            (d)(i) A member whose first employment making him eligible for state system  
18 membership occurred on or after July 1, 2013, is eligible for retirement with an  
19 unreduced benefit if"

20 AMENDMENT NO. 14

21 On page 4, after line 29, insert the following:

22            "(ii) A member to whom Item (i) of this Subparagraph applies may retire with  
23 twenty years of service credit at any age, exclusive of military service and unused  
24 annual and sick leave, but any person retiring under this Item shall have his benefit,  
25 inclusive of military service credit and allowable unused annual and sick leave,  
26 actuarially reduced. Any employee who elects to retire under the provisions of this  
27 Item shall not be eligible to participate in the Deferred Retirement Option Plan  
28 provided by R.S. 11:447 or the Initial Benefit Option provided by R.S. 11:446(A)(5)."

29 AMENDMENT NO. 15

30 On page 5, delete lines 1 through 3 in their entirety and at the beginning of line 4, change  
31 "(f)" to "(e)"

32 AMENDMENT NO. 16

33 On page 5, line 4, after "(c)," delete the remainder of the line and insert in lieu thereof "and  
34 (d) of this"

35 AMENDMENT NO. 17

36 On page 5, line 7, change "1957" to "1958"

37 AMENDMENT NO. 18

38 On page 5, line 14, delete "or "members""

1 AMENDMENT NO. 19

2 On page 5, between lines 18 and 19, insert:

- 3 **"(vi) A member who has at least twenty years of service credit on June 30, 2013.**
- 4 **(vii) A member who separated from service on or before June 30, 2013, who**
- 5 **does not return to service before beginning receipt of his benefit pursuant to the**
- 6 **provisions of this Chapter."**

7 AMENDMENT NO. 20

8 On page 6, line 13, after "**applies**" delete the remainder of the line and at the beginning of  
9 line 14 delete "**before December 30, 2010, and**" and insert "**whose first employment**  
10 **making him eligible for state system membership occurred on or before June 30, 2013,**"

11 AMENDMENT NO. 21

12 On page 6, delete lines 16 through 29 in their entirety and on page 7, delete line 1 in its  
13 entirety and insert in lieu thereof the following:

- 14 **"(i) Age fifty-five if he has at least fifteen but fewer than twenty years of service**
- 15 **on June 30, 2013.**
- 16 **(ii) Age fifty-seven if he has at least ten but fewer than fifteen years of service**
- 17 **on June 30, 2013.**
- 18 **(iii) Age sixty if he has at least five but fewer than ten years of service on June**
- 19 **30, 2013.**
- 20 **(iv) Age sixty-five if he has fewer than five years of service on June 30, 2013."**

21 AMENDMENT NO. 22

22 On page 7, at the beginning of line 2, change "(c)" to "(b)"

23 AMENDMENT NO. 23

24 On page 7, line 2, delete "or (b)"

25 AMENDMENT NO. 24

26 On page 7, delete lines 5 through 29 in their entirety and on page 8, delete lines 1 through  
27 11 in their entirety and insert in lieu thereof the following:

28 **"shall receive an actuarially-reduced benefit. Notwithstanding any provision of**  
29 **law to the contrary, such a member shall not be eligible to participate in the**  
30 **Deferred Retirement Option Plan provided by R.S. 11:786 or the Initial**  
31 **Lump-Sum Benefit option provided by R.S. 11:783."**

32 AMENDMENT NO. 25

33 On page 8, at the beginning of line 12, change "(d)" to "(c)(i)"

34 AMENDMENT NO. 26

35 On page 8, line 12, after "**applies**" delete the remainder of the line and insert the following:  
36 **"whose first employment making him eligible for state system membership occurred**  
37 **on or"**

38 AMENDMENT NO. 27

39 On page 8, line 13, change "2012" to "2013"



1 system is based solely on employment as a teacher in a public elementary or secondary  
2 school.

3 Section 4. In case of any conflict between the provisions of this Act and the  
4 provisions of any other Act of the 2012 Regular Session of the Legislature, the provisions  
5 of this Act shall control, regardless of the order of passage."

6 AMENDMENT NO. 31

7 On page 9, at the beginning of line 8, change "(B)" to "Section 5."

8 AMENDMENT NO. 32

9 On page 9, line 8, after "Committee" delete the remainder of the line and insert "may"

10 AMENDMENT NO. 33

11 On page 9, line 9, delete "or revised employer contribution rate"

12 AMENDMENT NO. 34

13 On page 9, line 10, change "2012" to "2013"

14 AMENDMENT NO. 35

15 On page 9, line 14, change "Section 3" to "Section 6"

16 AMENDMENT NO. 36

17 On page 9, delete lines 23 and 24 in their entirety and insert in lieu thereof "Act. In the  
18 interest of further expediting this procedure, the"

19 AMENDMENT NO. 37

20 On page 10, at the beginning of line 1, change "Section 4" to "Section 7"

21 AMENDMENT NO. 38

22

23 On page 10, at the beginning of line 5, change "Section 5" to "Section 8"

24 AMENDMENT NO. 39

25 On page 10, line 5, change "15" to "30"

26 AMENDMENT NO. 40

27 On page 10, line 7, change "15" to "30"