

New law provides for compliance by the District Attorneys' Retirement System with applicable federal tax qualification requirements of the Internal Revenue Code and federal regulations as follows:

Existing law provides for the calculation of the average final compensation of a member which is used to calculate his retirement benefit.

New law provides that average final compensation shall not take into account compensation in excess of \$200,000, but provides that this cap is subject to cost-of-living adjustments in accordance with federal law.

Existing law provides for purchase of service credit under specified circumstances. New law requires the system to accept as payment for such service credit funds from various federally qualified retirement and annuity accounts and governmental deferred compensation arrangements.

Existing law provides for a supplemental benefit if a member retires and then comes back to work in a covered position.

Existing law provides that the member's original benefit is suspended during the period of his reemployment, and if the member works less than a specified period, his supplemental benefit (benefit based on reemployed service) is calculated using the lesser of his average final compensation at his original retirement date or his average compensation during the period of his reemployment. If the member works more than the specified period, his benefit is calculated using the average final compensation during his period of reemployment. New law changes this specified period from 36 months to 60 months.

New law further provides that forfeitures in the system resulting from termination of employment or withdrawal of member contributions shall not result in augmented benefits to remaining members.

New law provides that if a member takes a leave of absence for certain military service and returns to employment, he shall share in employer contributions made during his military service and shall be allowed to make the employee contributions that he would have made during that time. Requires the system to accept direct transfers from specified federally qualified accounts or arrangements in satisfaction of the member's payment. Further provides that if a member dies or becomes disabled on or after Jan. 1, 2007, while performing qualified military service, the member's beneficiary is entitled to any additional benefits, other than benefit accruals relating to the period of qualified military service, provided under the system as if the member had resumed and then terminated employment on account of death or disability. Requires the system to credit the member's qualified military service as service for vesting purposes.

New law provides that the maximum benefit a retiree may receive that is not attributable to employee contributions is \$200,000 as adjusted for cost-of-living increases in accordance with federal law and adjusted annually to the maximum dollar limits allowable as determined by the commissioner of the Internal Revenue Service. Requires this maximum amount also be adjusted in accordance with the Social Security Act if the member begins receiving a benefit before age 62. New law requires the board of trustees of the system to administer a separate, nonqualified, unfunded excess benefit arrangement from which retirees may be paid benefits in excess of the limitation provided by new law.

New law further provides for calculation of aggregate contribution and benefit limits for members also covered by other plans maintained by the employer.

Existing law provides that if a member ceases to be an employee except by death or retirement, he shall be paid the accumulated contributions that have been credited to him. If a member dies before retirement, his accumulated contributions shall be paid to his estate or to his designee.

New law requires that the member or other recipient of such funds be allowed to have the funds distributed as a direct rollover to a qualified retirement plan.

Existing law provides for payment of survivor benefits upon the death of an active contributing member with at least five years of service or any member with at least 23 years of service who has not retired New law requires such distributions to survivors be made in accordance with federal law.

Effective January 1, 2013.

(Amends R.S. 11:1581(5), 1612, 1614, 1617, 1631(F)(1), and 1635; Adds R.S. 11:1588, 1631(G), 1632(C), (D), (E), and (F), 1633(C), 1636(C) and (D), 1638(C), 1645, and 1646)