

Regular Session, 2013

HOUSE CONCURRENT RESOLUTION NO. 2

BY REPRESENTATIVE HARRISON

Prefiled pursuant to Article III, Section 2(A)(4)(b)(i) of the Constitution of Louisiana.

A CONCURRENT RESOLUTION

To suspend until July 1, 2014, the provisions of Chapter 7 of Subtitle II of Title 11 of the Louisiana Revised Statutes of 1950, comprised of R.S. 11:1399.1 through 1399.7, providing for a Cash Balance Plan in certain state retirement systems.

Notice of intention to introduce this Act has been published as provided by Article X, Section 29(C) of the Constitution of Louisiana.

WHEREAS, Act No. 483 of the 2012 Regular Session of the Legislature provided for a Cash Balance Plan in certain state retirement systems and provides for members of certain state retirement systems to enter the Cash Balance Plan on July 1, 2013; and

WHEREAS, members of the state retirement systems do not participate in Social Security; and

WHEREAS, it is critical to determine whether the Cash Balance Plan offers a benefit to all members that is adequate to maintain the current exemption from Social Security; and

WHEREAS, the division of administration on behalf of the state, as the employer for state employees, is seeking a determination from the Internal Revenue Service (IRS) of the Social Security equivalency of the new Cash Balance Plan; and

WHEREAS, it is extremely unlikely that the IRS will provide an answer to the question of Social Security equivalency of the Cash Balance Plan prior to members entering the plan on July 1, 2013; and

WHEREAS, in order to avoid significant costs to the state and its employees related to Social Security contributions the question regarding the Social Security equivalency of the Cash Balance Plan must be answered prior to the time any employee enters the plan.

THEREFORE, BE IT RESOLVED that the Legislature of Louisiana hereby suspends the provisions of Chapter 7 of Subtitle II of Title 11 of the Louisiana Revised Statutes of

1950, comprised of R.S. 11:1399.1 through 1399.7, providing for a Cash Balance Plan in certain state retirement systems.

BE IT FURTHER RESOLVED that this Resolution shall become effective upon adoption of this Resolution and shall remain in effect through July 1, 2014.

BE IT FURTHER RESOLVED that it is the intent of the legislature that any provisions contained in Act No. 483 of the 2012 Regular Session of the Legislature that are not being suspended by the provisions of this Resolution shall continue in force and effect and shall be interpreted as though they had not been amended by such Act until termination of the suspension provided for in this Resolution.

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SPEAKER OF THE HOUSE OF REPRESENTATIVES

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PRESIDENT OF THE SENATE