

Regular Session, 2014

HOUSE BILL NO. 29

BY REPRESENTATIVE COX

RETIREMENT/TEACHERS: Provides relative to rehired retirees of the Teachers' Retirement System of Louisiana

1 AN ACT

2 To amend and reenact R.S. 11:710, relative to the rehiring of retirees in the Teacher's
3 Retirement System of Louisiana; to provide relative to eligibility; to provide relative
4 to salary restrictions; to provide relative to reporting requirements; to provide
5 relative to suspension of benefits in certain circumstances; and to provide for related
6 matters.

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

10 Be it enacted by the Legislature of Louisiana:

11 Section 1. R.S. 11:710 is hereby amended and reenacted to read as follows:

12 §710. Employment of retirees

13 A.(1) A retired member's earnings from his return to active service shall not
14 exceed twenty-five percent of his benefit during any fiscal year. If actual earnings
15 exceed this amount, the benefits payable to the retiree shall be reduced by the
16 amount in excess of twenty-five percent of his benefit.

17 (2) The earnings limitation provided in Paragraph (1) of this Subsection shall
18 not apply to the earnings of a retired teacher. For purposes of this Section, "retired
19 teacher" shall mean any of the following:

1 ~~(1)~~(a) A retired member who returns to active service covered by the
2 provisions of this Chapter as a full-time or part-time classroom teacher who teaches
3 any student in kindergarten through twelfth grade in a critical teacher shortage area.
4 For purposes of this ~~Paragraph~~ Subparagraph, "critical shortage area" shall mean any
5 subject area where a shortage of certified teachers exists in that subject area, ~~subject~~
6 ~~to the provisions of Subsection F of this Section~~. For purposes of this Section,
7 "classroom teacher" shall mean any employee, whose position of employment
8 requires a valid Louisiana teaching certificate and who is assigned the professional
9 activities of instructing pupils in courses in classroom situations for which daily
10 pupil attendance figures for the school system are kept. Such classroom situations
11 may include teaching in a school classroom or in other settings such as a home or
12 hospital or other learning situations such as cocurricular activities, which instruction
13 may be provided in person or through an approved medium such as television, radio,
14 computer, Internet, multimedia telephone, and correspondence that is delivered
15 inside or outside the classroom or in other teacher-student settings. ~~F. No such~~
16 retired member "retired teacher" as defined in Paragraph (A)(1) of this Section shall
17 receive a benefit ~~during the period of his reemployment as provided in excess of the~~
18 limitation provided for in Paragraph (1) of this Section Subsection unless and until
19 the superintendent and personnel director of his employing school have certified to
20 the Board of Elementary and Secondary Education and the board of trustees of this
21 system that a shortage of teachers exists in the critical shortage area in which the
22 retired teacher was hired to teach. Prior to making such certification for any full-
23 time teaching position, the employer shall cause to be advertised in the official
24 journal of the employer's governing authority, on two separate occasions, notice that
25 a shortage of certified teachers exists and the positions sought to be filled. If a
26 certified applicant who is not a retiree applies for an advertised position, such person
27 shall be hired before any certified retired teacher is employed, unless fewer than
28 three teachers have applied for the position each of whom are certified in the critical
29 shortage area being filled.

1 ~~(2)~~(b) A retired member who returns to active service as a full-time certified
2 speech therapist, speech pathologist, or audiologist whose position of employment
3 requires a valid Louisiana ancillary certificate approved and issued by the state
4 Department of Education in a school district where a shortage exists. ~~G.~~ No such
5 retired member "retired teacher" as defined in Paragraph (A)(2) of this Section shall
6 receive a benefit ~~during the period of his reemployment as provided in excess of the~~
7 limitation provided for in Paragraph (1) of this Section Subsection unless and until
8 the employing school board has certified to the Board of Elementary and Secondary
9 Education and the board of trustees of this system that a shortage of speech
10 therapists, speech pathologists, or audiologists exists in the school district where
11 reemployed.

12 ~~(3)~~(c) A retired member who returns to active service covered by the
13 provisions of this Chapter on or before June 30, 2010.

14 ~~(4)~~(d) A retired member who returns to active service covered by the
15 provisions of this Chapter who retired on or after May 1, 2009, and on or before June
16 30, 2010, in a position requiring a valid Louisiana teaching certificate or a valid
17 Louisiana ancillary certificate.

18 ~~(5) A retired member who returns to active service covered by the provisions~~
19 ~~of this Chapter as a substitute classroom teacher who teaches any student in pre-~~
20 ~~kindergarten through twelfth grade. For purposes of this Paragraph "substitute~~
21 ~~classroom teacher" shall mean a classroom teacher employed in a temporary capacity~~
22 ~~to fill the position of another classroom teacher who is unavailable to teach for any~~
23 ~~reason. Such substitute classroom teacher's earnings from his return to active service~~
24 ~~shall not exceed twenty-five percent of his benefit during any fiscal year. If actual~~
25 ~~earnings exceed this amount in any fiscal year, the benefits payable to the retiree~~
26 ~~shall be reduced by the amount in excess of twenty-five percent of his benefit.~~

27 ~~(6)~~(e) A retired member who holds an advanced degree in speech therapy,
28 speech pathology, or audiology.

1 ~~(7) A retired member who has a valid Louisiana teaching certificate who~~
2 ~~returns to active service covered by the provisions of this Chapter who is assigned~~
3 ~~the professional activities of instructing adults through an adult education or literacy~~
4 ~~program administered through a public institution of elementary or secondary~~
5 ~~education. Such individual's earnings from his return to active service shall not~~
6 ~~exceed twenty-five percent of his benefit during any fiscal year. If actual earnings~~
7 ~~exceed this amount in any fiscal year, the benefits payable to the retiree shall be~~
8 ~~reduced by the amount in excess of twenty-five percent of his benefit.~~

9 ~~(8) A retired member who returns to active service covered by the provisions~~
10 ~~of this Chapter as an adjunct professor. For purposes of this Paragraph "adjunct~~
11 ~~professor" shall mean part-time faculty, including instructors, assistant professors,~~
12 ~~associate professors, and professors, assigned the professional activities of~~
13 ~~instructing pupils or conducting research at a public institution of postsecondary~~
14 ~~education. Such instruction may be provided in person or through an approved~~
15 ~~medium such as television, radio, computer, Internet, multimedia telephone, or~~
16 ~~correspondence and may be delivered inside or outside the classroom or in other~~
17 ~~teacher-student settings. Such an adjunct professor's earnings from his return to~~
18 ~~active service shall not exceed twenty-five percent of his benefit during any fiscal~~
19 ~~year. If actual earnings exceed this amount in any fiscal year, the benefits payable~~
20 ~~to the retiree shall be reduced by the amount in excess of twenty-five percent of his~~
21 ~~benefit.~~

22 (3) If a retired member returns to active service in more than one position
23 and any position is subject to the earnings limitation provided in Paragraph (1) of
24 this Subsection, the earnings limitation shall apply to the total earnings of the retired
25 member for all the member's covered employment in a fiscal year.

26 B.(1)(a) Any retired ~~teacher~~ member who returns to active service covered
27 by the provisions of this Chapter within the twelve-month period immediately
28 following the effective date of ~~such~~ his retirement shall have his retirement benefits
29 suspended ~~for the duration~~ until termination of such active service or the lapse of

1 twelve months from the effective date of his retirement, whichever occurs first, even
2 if such service is based on employment by contract or corporate contract. ~~If any~~
3 ~~retired member returns to active service in a position qualifying him as a retired~~
4 ~~teacher under more than one provision of this Section providing for earning~~
5 ~~limitations, the most restrictive earnings limitation shall apply to the total earnings~~
6 ~~of the retired teacher for all such positions in a fiscal year.~~

7 (b) If the reemployment of a retired ~~teacher~~ member is based on an
8 agreement between the retired ~~teacher~~ member and his employer ~~where such and the~~
9 agreement was perfected prior to ~~such teacher's~~ the member's effective date of
10 retirement and ~~where~~ the agreement allows for such a teacher to become reemployed
11 within twelve months immediately following the effective date of ~~the teacher's~~ his
12 retirement, ~~such teacher shall not be~~ the member is not eligible to receive retirement
13 benefits for the twelve-month period immediately following the effective date of
14 such reemployment, regardless of whether such agreement is express or implied.
15 The provisions of this Subparagraph shall be applied prospectively beginning on
16 July 1, 2001.

17 ~~(c) The twelve-month period immediately following the effective date of a~~
18 ~~retired teacher's retirement shall be known as the "waiting period".~~

19 (2) Any retired ~~teacher~~ member who retires based on a disability shall not
20 be authorized to return to service pursuant to the provisions of this Section.
21 Disability retirees shall be covered by the provisions of this Chapter applicable to
22 disability retirees.

23 ~~C.(1) C.~~ C. During the period of his return to active service, the retired ~~teacher~~
24 member and his employer shall make contributions to the retirement system as
25 provided by this Chapter, but such teacher shall receive no additional service credit
26 nor accrue any additional retirement benefits in the retirement system. Upon
27 termination of such active service, the retired teacher shall, upon application, be
28 refunded the employee contributions paid since reemployment. The refund shall be
29 without interest. The retirement system shall retain the employer contributions.

1 ~~(2) Any retired member not considered a retired teacher as defined in~~
2 ~~Subsection A of this Section shall have his benefit suspended for the duration of his~~
3 ~~period of reemployment in such position even if such reemployment is based on~~
4 ~~employment by contract or corporate contract. Such member and his employer shall~~
5 ~~not make contributions to the system during such time, and he shall receive no~~
6 ~~additional service credit nor accrue any additional retirement benefits.~~

7 ~~(3) The provisions of this Subsection shall not apply to any retiree~~
8 ~~reemployed in a part-time position with the Louisiana High School Athletic~~
9 ~~Association on June 27, 2003.~~

10 D. When any retiree returns to active service with an employer covered by
11 the provisions of this Chapter, the employing agency shall, within thirty days
12 thereafter, notify the board of trustees in writing of such employment, the date on
13 which employment commenced, and a determination by the employer as to whether
14 such person is a "~~retired teacher~~" rehired retiree pursuant to Subsection A of this
15 Section. Upon termination, the agency shall provide the same notice. In addition,
16 the employing agency shall also report to the retirement system within forty-five
17 days after June thirtieth of each year, the name of all persons being paid by the
18 employing agency and all persons having received a benefit pursuant to the
19 provisions of this Section, along with such individuals' social security numbers, their
20 positions, their designation as part-time or full-time, and the amount of their earnings
21 during the previous fiscal year ending on June thirtieth of the reporting year.
22 Additionally, the employing agency shall transmit a monthly contributions report
23 pursuant to R.S. 11:888(A). Such monthly reports shall be transmitted within thirty
24 days of the last day of each month and shall include the salary paid to all ~~individuals~~
25 ~~identified as a "retired teacher"~~ retirees rehired pursuant to Subsection A of this
26 Section. Should failure to give notice of return to active service or failure to report
27 any other information required by this Section result in any payment being made in
28 violation of this Section, the employing agency shall be liable to the system for the
29 repayment of such amounts.

1 E.(1) The salary of any retired ~~teacher~~ member who is reemployed pursuant
2 to the provisions of this Section shall be based on the salary schedule which accounts
3 for all prior years of teaching service and pertinent experience.

4 (2) The status of any retired ~~teacher~~ member who is reemployed pursuant to
5 the provisions of this Section shall be the same as a full-time active employee and
6 shall be governed by the applicable rules, procedures, policies, and statutes that
7 apply to all such full-time active employees.

8 Section 2. The cost of this Act, if any, shall be funded with additional employer
9 contributions in compliance with Article X, Section 29(F) of the Constitution of Louisiana.

10 Section 3. This Act shall become effective upon signature by the governor or, if not
11 signed by the governor, upon expiration of the time for bills to become law without signature
12 by the governor, as provided by Article III, Section 18 of the Constitution of Louisiana. If
13 vetoed by the governor and subsequently approved by the legislature, this Act shall become
14 effective on the day following such approval.

DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

Cox

HB No. 29

Abstract: Provides that any member who retires from the Teachers' Retirement System of La. (TRSL) on or after July 1, 2010, may return to work and receive his full benefit while reemployed subject to a 25% earnings restriction on such reemployment.

Present law prohibits any retiree of TRSL other than a "retired teacher" from receiving a retirement benefit while reemployed. Further 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 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 in a school district where a shortage exists.
- (3) Any retired member who returned to active service on or before June 30, 2010.

- (4) Any retired member who returns to active service who retired on or after May 1, 2009, and on or before June 30, 2010, in a position requiring a La. teaching certificate or ancillary certificate.
- (5) Any retired member who returns to work as a substitute classroom teacher instructing grades pre-kindergarten through twelfth. Restricts any earnings in a year from such position to no more than 25% of the retired member's annual benefit.
- (6) Any retired member who returns to work instructing adults through adult education of literacy programs administered through a public institution of elementary or secondary education. Restricts any earnings in a year from such position to no more than 25% of the retired member's annual benefit.
- (7) Any retired member who holds an advanced degree in speech therapy, speech pathology, or audiology.
- (8) Any retired member who returns to work as an adjunct professor engaged in research or instructions of students. Restricts any earnings in a year from such position to no more than 25% of the retired member's annual benefit.

Proposed law generally provides that any member who retires from TRSL may return to work and receive his full benefit while reemployed. Restricts any earnings in a year from such position to no more than 25% of the retired member's annual benefit.

Proposed law further retains the following present law exceptions allowing return to work without a salary restriction:

- (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 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 in a school district where a shortage exists.
- (3) Any retired member who returned to active service on or before June 30, 2010.
- (4) Any retired member who returns to active service who retired on or after May 1, 2009, and on or before June 30, 2010, in a position requiring a La. teaching certificate or ancillary certificate.
- (5) Any retired member who holds an advanced degree in speech therapy, speech pathology, or audiology.

Present law provides that if a retired member authorized to return to active service returns under more than one provision with an earnings limitation, the most restrictive earnings limitation shall apply to the total annual salary earned by the member. Proposed law applies the earnings limitation to the total annual salary of a member who returns to work in more than one position if any such position is subject to the limitation.

Present law requires any rehired retiree who is authorized to receive his benefit while reemployed to make employee contributions to the system on his salary. Upon termination of reemployment, such rehired retiree receives a refund of his contributions. Prohibits such rehired retiree from accruing additional service credit in the system for such reemployment. Further requires the employer to make employer contributions to TRSL on the salary earned by the rehired retiree. Upon termination of the rehired retiree's reemployment, the system retains the employer contributions made during the period of reemployment. Proposed law retains present law.

Present law requires annual reports from employing agencies to TRSL on the salary and position of any retiree who returns to active service who is authorized to receive his benefit while reemployed. Proposed law retains present law.

Proposed law requires that any cost of proposed law be funded with additional employer contributions in compliance with Art. X, §29(F) of the state constitution.

Effective upon signature of governor or lapse of time for gubernatorial action.

(Amends R.S. 11:710)