



## 2015 Regular Legislative Session Update No. 1 March 2, 2015

The deadline to pre-file bills dealing with retirement issues was 5:00 p.m., Friday, February 27. Provided below is a list of bills that were pre-filed for consideration by the Legislature during the upcoming Regular Session which could have a potential impact on you as a retired educator and/or your retirement system.

The legislative session begins at noon on Monday, April 13, and the legislature must complete its work by 6:00 p.m. on Thursday, June 11. It is anticipated that other bills, and perhaps some resolutions, will be added to this list of legislation to be monitored by LRTA once the session begins. Future issues of LRTA's Regular Legislative Session Update will provide the LRTA Executive Board's official position on each item included on the list, and legislative actions taken on each item will be added as the session progresses.

### PERMANENT BENEFIT INCREASES

#### House Bill No. 42 by Representative Sam Jones

This bill provides for the payment of a permanent benefit increase out of the balance on deposit in the Experience Account to eligible members of the Teachers' Retirement System of Louisiana to begin on July 1, 2015. The benefit increase will be provided to those eligible individuals receiving a benefit from TRSL who have been retired for at least 12 months, and who are at least age 60, on June 30, 2015. The benefit increase will be applied to the first \$60,000 of the annual benefit currently received from TRSL. The benefit increase will also be paid to disability retirees and to the beneficiaries of retirees and disability retirees who would have met the above stated eligibility requirements.

Similar PBIs are authorized for members of the Louisiana State Employees' Retirement System, the Louisiana School Employees' Retirement System and the Louisiana State Police Retirement System.

### RETURN-TO-WORK RETIREES

#### House Bill No. 43 by Representative Harvey LeBas

This bill provides for an increase in the cap a retired teacher is allowed to earn when reemployed as a substitute teacher from 25% to 50% of the annual benefit paid by TRSL to the return-to-work retiree.

**Senate Bill No. 20 by Senator Gerald Long**

This bill removes the grandfather provision which currently exists, and allows individuals who retired on or before June 30, 2010 to return to work without suspension of benefits. The bill will also allow school counselors to return to work without suspension of benefits.

**RETIREMENT SYSTEM FUNDING**

**House Bill No. 55 by Representative Harold Ritchie and Senator Ben Nevers**

This bill is a constitutional amendment that levies a tax on usage at hydrocarbon processing facilities. The provisions of the constitutional amendment stipulate that \$250 million of the tax proceeds each year be dedicated to both the Louisiana State Employees' Retirement System and to the Teachers' Retirement System of Louisiana. Each year's payment to the systems will be in proportion to the balance of the unfunded accrued liabilities of the systems.

**Senate Bill No. 14 by Senator Elbert Guillory**

This bill requires that projected noninvestment related administrative expenses for all state retirement systems for any given fiscal year be included as a factor in determining the retirement system's employer contribution rate.

**Senate Bill No. 15 by Senator Ben Nevers and Representative Harold Ritchie**

This bill is a constitutional amendment that levies a tax on usage at hydrocarbon processing facilities. The provisions of the constitutional amendment stipulate that \$250 million of the tax proceeds each year be dedicated to both the Louisiana State Employees' Retirement System and to the Teachers' Retirement System of Louisiana. Each year's payment to the systems will be in proportion to the balance of the unfunded accrued liabilities of the systems.

**Senate Bill No. 16 by Senator Elbert Guillory**

This bill provides for technical corrections to Act No. 399 of 2014 dealing with the mechanics of the Experience Accounts held at TRSL and the other three state retirement systems.

**Senate Bill No. 18 by Senator Robert Adley**

This bill allows institutions of higher education to elect to pay TRSL for their proportionate share of existing system liabilities and to incur no additional liabilities in the retirement system. Funding for the payments of the liabilities may come from any income source including proceeds from the sale of bonds.

**RETIREMENT SYSTEM MEMBERSHIP**

**House Bill No. 10 by Representative J. Kevin Pearson**

This bill allows a current TRSL member to purchase service credit for time spent teaching in an elementary or secondary nonpublic school that was located in another state and was approved by that state's educational agency during the time the teaching service was rendered.