



The deadline to pre-file bills dealing with retirement issues was 5 p.m., Friday, January 28. Provided below is a list of bills that were pre-filed for consideration by the Legislature during the upcoming Regular Session. These bills could have a potential impact on you as a retired educator and/or your retirement system.

The 2022 Regular Legislative Session begins at noon on Monday, March 14, and the legislature must complete its work by 6 p.m. on Monday, June 6. Members of the legislature will have another opportunity to introduce retirement legislation after the session begins, as long as the intention to introduce that legislation was advertised as required by the Louisiana Constitution.

Other bills, and possibly some resolutions, may be added to this list of legislation to be monitored by LRTA once the session begins. Future issues of LRTA's Legislative Updates 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.

House bills and Senate bills are grouped under the specific topic addressed by the legislation.

## Permanent Benefit Increase (PBI)

### **Senate Bill No. 6 by Senator Ed Price**

This bill grants a two percent permanent benefit increase (PBI), also known as a cost-of-living adjustment (COLA), to eligible retirees and beneficiaries of the Teachers' Retirement System of Louisiana (TRSL). Eligible retirees must be at least age 60 and retired for one year. The benefit increase will be applied to the first \$68,396 of the annual benefit currently received from TRSL.

## Return to Work

### **House Bill No. 22 by Representative Rick Edmonds**

This bill proposes to amend the provision governing the 2020 return-to-work (RTW) law to increase the earnings limit under Option 1 from 25 percent of the retiree's final average compensation (FAC) to 50 percent of the retiree's FAC. The proposed increase would apply to retirees who returned to work prior to December 31, 2021 and would be repealed July 1, 2025.

### **House Bill 26 by Representative Troy Romero**

This bill proposes to amend the provision governing the 2020 return-to-work (RTW) law to increase the earnings limit under Option 1 from 25 percent of the retiree's final average compensation (FAC) to 50 percent of the retiree's FAC. There would be no time limit with this bill.

## Return to Work (cont.)

### **House Bill 30 by Representative Larry Frieman**

This bill authorizes retired teachers to return to work without a suspension or reduction of retirement benefits. Currently, TRSL retirees returning to work are subject to either the RTW law passed in 2010 or the RTW law passed in 2020. The proposed law would repeal the 2010 RTW law and create a new RTW law that would authorize the return to work of retirees in K-12 positions without the suspension or reduction of retirement benefits. This bill also authorizes that neither the retiree nor the employer shall make contributions to the system and the retiree shall not earn service credit. For any retiree not covered by the proposed law, the 2020 RTW law would apply. (generally includes unclassified employees of colleges, universities, vo-tech schools, and special schools under BESE control).

## Optional Retirement Plan

### **Senate Bill No. 10 by Senator Jay Morris and Senator Jay Luneau**

This bill allows a current participant in the Optional Retirement Plan (ORP) to transfer into the defined benefit plan offered by TRSL. The transfer must be on an actuarially equivalent basis in accordance with current laws governing transfers from one public retirement system to another. Benefit calculations and retirement eligibility will be based on the date of the transferee's first employment date making him or her eligible for membership in TRSL. The provisions of this bill, should it become law, will remain in effect through June 30, 2028.

## Investments

### **House Bill 25 by Representative Danny McCormick**

This bill proposes to prohibit state retirement systems from investing in companies having policies that prohibit investing in energy companies, doing business with energy companies, and entering into contracts with energy companies or with any class or group of companies within the energy sector.

## Payments Toward UAL

### **House Bill 29 by Representative Richard Nelson**

(Proposed Constitutional Amendment) To require the legislature to appropriate no less than 50 percent of nonrecurring state revenue (surplus) for application to certain state retirement system unfunded accrued liability (UAL). Currently, the legislature is required by the state constitution to appropriate a minimum 10 percent of surplus monies for application to certain state retirement system debt. This amendment would increase the minimum amount to 50 percent beginning fiscal year 2023-2024.

# Supplemental Benefit Payment

## **House Bill 31 by Representative Phillip Tarver**

(Proposed Constitutional Amendment) The proposed amendment would dedicate a certain amount of state nonrecurring revenue (surplus) to state retirement systems for supplemental benefit payments for eligible retirees. The amount to be used for such supplemental benefit would be the lesser of \$50 million or the balance of surplus money leftover after allocations are made for payments against retirement system debt and for the Budget Stabilization Fund. Retirees, beneficiaries or survivors must have been receiving a benefit by June 30 of the previous fiscal year in order to be eligible for the lump sum payment.

## **House Bill 32 by Representative Phillip Tarver**

This is a companion bill for House Bill 31. Requires the Public Retirement Systems' Actuarial Committee (PRSAC) to certify and report to the legislature the number of persons in each state system who are eligible for the supplemental benefit after the committee adopts the official valuations for the state public retirement systems.

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