

Regular Session, 2013

HOUSE CONCURRENT STUDY REQUEST NO. 3

BY REPRESENTATIVE THOMPSON

RETIREMENT BENEFITS: Requests a study of the conversion of annual and sick leave to retirement credit by members of state and statewide retirement systems

1 A CONCURRENT STUDY REQUEST

2 To the House Committee on Retirement and the Senate Committee on Retirement to meet
3 and to function as a joint committee to study the conversion of annual and sick leave
4 to retirement credit by members of state and statewide retirement systems and to
5 report the findings of the joint committee to the legislature prior to December 1,
6 2013.

7 WHEREAS, when a member applies for retirement, many state and statewide
8 retirement systems allow the member to convert unused annual and sick leave into
9 retirement credit; and

10 WHEREAS, this practice augments the benefit the member is to receive and saves
11 the employer the cost of paying the employee for the unused leave; and

12 WHEREAS, even if such benefits have not been adequately funded, the system must
13 pay any benefit based on this converted credit; and

14 WHEREAS, there are multiple ways to fund benefits attributable to converted leave,
15 including requiring the employer to pay the actuarial cost of the conversion or building
16 assumptions into the funding formula so that anticipated leave conversions are incrementally
17 funded over time; and

18 WHEREAS, the funding assumptions for such benefits should be studied to ensure
19 adequate funding levels and to prevent a drain on system assets with each conversion.

20 THEREFORE, the Legislature of Louisiana requests the House Committee on
21 Retirement and the Senate Committee on Retirement to meet and to function as a joint

1 committee to study the conversion of annual and sick leave to retirement credit by members
2 of state and statewide retirement systems and to report the findings of the joint committee
3 to the legislature prior to December 1, 2013.

DIGEST

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Thompson

HCSR No. 3

Requests the House and Senate committees on retirement to meet as a joint committee to study the conversion of annual and sick leave to retirement credit by members of state and statewide retirement systems and to report the findings of the joint committee to the legislature prior to Dec. 1, 2013.