HLS 22RS-517 ORIGINAL

2022 Regular Session

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HOUSE BILL NO. 835

BY REPRESENTATIVE MCFARLAND

RETIREMENT/TEACHERS: Provides relative to the reemployment of contract teachers in the Teachers' Retirement System of Louisiana

AN ACT

2 To enact R.S. 11:710.1(C)(4) and to repeal R.S. 11:710.1(C)(4), relative to the Teachers' 3 Retirement System of Louisiana; to provide for contract or corporate contract 4 reemployment of retirees; to provide for costs; to provide for an effective date; and 5 to provide for related matters. 6 Notice of intention to introduce this Act has been published 7 as provided by Article X, Section 29(C) of the Constitution 8 of Louisiana. 9 Be it enacted by the Legislature of Louisiana: 10 Section 1. R.S. 11:710.1(C)(4) is hereby enacted to read as follows: 11 §710.1. Employment of retirees on or after July 1, 2020 12 C. 13 14 15 (4)(a) The provisions of this Paragraph apply to a retiree who is otherwise 16 covered by this Section, who returns to active service prior to June 30, 2022, and 17 whose reemployment is based on a contract or corporate contract. The provisions 18 of Subsection A of this Section and Paragraphs (1) and (3) of this Subsection do not 19 apply to such a retiree.

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CODING: Words in struck through type are deletions from existing law; words <u>underscored</u> are additions.

1 (b) Any such retiree shall not have his benefits suspended or reduced for the 2 duration of such active service. (c) No such retiree or his employer shall make contributions to the system 3 4 during such reemployment, and the retiree shall receive no additional service credit 5 nor accrue any additional retirement benefits. 6 7 Section 2. R.S. 11:710.1(C)(4) is hereby repealed in its entirety. 8 Section 3. 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 4. (A) This Section and Sections 1 and 3 of this Act shall become effective 11 on July 1, 2022. 12 (B) Section 2 of this Act shall become effective on July 1, 2029.

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)]

HB 835 Original

2022 Regular Session

McFarland

Abstract: For a period of seven years, allows contract or corporate contract retirees of the Teachers' Retirement System of La. to be reemployed without suspension of retirement benefits.

<u>Present law</u> authorizes retirees of the Teachers' Retirement System of La. (TRSL) to be reemployed in a position covered by the system without a reduction of his retirement benefit if his earnings from such employment during a fiscal year do not exceed 25% of his final average compensation. If his earnings exceed this limit, <u>present law</u> authorizes him to choose a benefit reduction or to become a member of the system again and earn a supplemental benefit.

<u>Present law</u> requires suspension of retirement benefits for a retiree who returns to service covered by TRSL for the following:

- (1) Reemployment during the twelve-month period immediately following retirement.
- (2) Reemployment that is based on a contract or corporate contract.

<u>Proposed law</u>, effective for a period of seven years, provides that the benefit of a retiree who is reemployed based on a contract or corporate contract shall not be suspended or reduced. Provides that neither the employer nor the employee make contributions to TRSL during such reemployment.

<u>Proposed law</u> requires that any cont of <u>proposed law</u> be funded with additional employer contributions in compliance with Art. X, Sec. 29(F) of the state constitution.

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Proposed law becomes effective on July 1, 2022, and is repealed effective July 1, 2029.

(Adds R.S. 11:710.1(C)(4); Repeals R.S. 11:710.1(C)(4))