

Regular Session, 2010

Approved
6-21-10

HOUSE CONCURRENT STUDY REQUEST NO. 14

BY REPRESENTATIVES HOFFMANN, CORTEZ, CROMER, DOERGE, DOWNS, HENDERSON, MONToucET, PEARSON, AND POPE AND SENATORS APPEL, CROWE, AND MORRISH

RETIREMENT BENEFITS: Relative to La. public retirement systems, urges and requests the House and Senate committees on retirement, the House Committee on Civil Law and Procedure, and the Senate committees on Judiciary A, B, or C, to study issues related to redesignating beneficiaries by retirees of such systems

1 A CONCURRENT STUDY REQUEST

2 To the House Committee on Retirement, the House Committee on Civil Law, the Senate
3 Committee on Retirement, and the Senate Committee on Judiciary A, B, or C, as
4 appropriate, to meet and to function as a joint committee to study issues related to
5 spousal survivorship benefits in Louisiana public retirement systems and community
6 property rights related thereto, and to report the findings of the joint committee to the
7 legislature prior to the convening of the 2011 Regular Session of the Legislature of
8 Louisiana.

9 WHEREAS, membership in a public retirement system is a contract between a public
10 employee and his employer, and the terms of such contract often allow an individual retiring
11 from public service to name a beneficiary, often a spouse, who upon the retiree's death may
12 receive some form of benefit; and

13 WHEREAS, the marital regime of a community of acquets and gains is a cornerstone
14 of the Louisiana Civil Code and is designed to afford a measure of economic protection to
15 spouses upon divorce; and

16 WHEREAS, the assets of a community of acquets and gains are calculated as of the
17 date of the filing of a petition for divorce; and

18 WHEREAS, the retirement benefits of a spouse earned during the marriage are
19 considered an asset of the community; and

1 WHEREAS, often times a retiree's marital situation changes such that the spouse to
2 whom he is married in the final years of his life is not the person he designated as his
3 beneficiary upon retirement; and

4 WHEREAS, such cases may give rise to situations, particularly in divorce, in which
5 a retiree's current spouse will receive no benefits upon the retiree's death, while a previous
6 spouse may receive a portion of the retiree's own benefit, plus the entire survivorship benefit
7 upon his death; and

8 WHEREAS, nearly every year the legislature considers difficult legislation which
9 seeks to allow a retiree to change his originally designated beneficiary to his current spouse
10 so that his current spouse can be financially provided for upon his death; and

11 WHEREAS, in the 2010 Regular Session of the Legislature of Louisiana, four bills
12 were introduced which would have allowed a retiree under certain circumstances to change
13 his originally designated beneficiary to his current spouse: House Bill No. 1382 and Senate
14 Bill Nos. 14, 62, and 97; and

15 WHEREAS, the apportioning of retirement benefits should be based on principles
16 of fundamental fairness and equity.

17 THEREFORE, the Legislature of Louisiana requests the House Committee on
18 Retirement, the House Committee on Civil Law and Procedure, the Senate Committee on
19 Retirement and the Senate Committee on Judiciary A, B, or C, as appropriate, to meet and
20 to function as a joint committee to study issues related to spousal survivorship benefits in
21 Louisiana public retirement systems and community property rights related thereto, and to
22 report the findings of the joint committee to the legislature prior to the convening of the
23 2011 Regular Session of the Legislature of Louisiana.

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)]

Hoffmann

HCSR No. 14

Requests the House Committee on Retirement, the House Committee on Civil Law and Procedure, the Senate Committee on Retirement, and the Senate Committee on Judiciary A, B, or C, as appropriate to meet and to function as a joint committee to study issues related to spousal survivorship benefits in La. public retirement systems and community property rights related thereto, and to report the findings of the joint committee to the legislature prior to the 2011 R.S.