

Regular Session, 2012

SENATE BILL NO. 19

BY SENATORS CORTEZ AND WALSWORTH

TEACHERS RETIREMENT. Provides relative to the Teachers' Retirement System of La. and provides relative to rehired retirees. (2/3 - CA 10s29(F)) (7/1/12)

1 AN ACT

2 To amend and reenact R.S. 11:710(A)(1) and (4), (B)(1)(a), (C)(2), and (D), to enact R.S.
3 11:710(A)(5) and (6), and to repeal R.S. 11:710(H), relative to the Teachers'
4 Retirement System of Louisiana; to provide for definitions; to allow certain retirees
5 reemployed as substitute teachers to receive benefits during reemployment; to allow
6 certain retirees reemployed as an instructor of adult education or literacy program
7 to receive benefits during reemployment; to provide limitations; to provide for an
8 effective date; and to provide for related matters.

9 Notice of intention to introduce this Act has been published.

10 Be it enacted by the Legislature of Louisiana:

11 Section 1. R.S. 11:710(A)(1) and (4), (B)(1)(a), (C)(2) and (D) are hereby amended
12 and reenacted and R.S. 11:710(A)(5) and (6) are hereby enacted to read as follows:

13 §710. Employment of retirees

14 A. For purposes of this Section, "retired teacher" shall mean any of the
15 following:

16 (1) A retired member who returns to active service covered by the provisions
17 of this Chapter as a full-time or part-time classroom teacher who teaches any student

1 in kindergarten through twelfth grade in a critical teacher shortage area. For
2 purposes of this Paragraph, "critical shortage area" shall mean any subject area
3 where a shortage of certified teachers exists in that subject area, subject to the
4 provisions of Subsection F of this Section. For purposes of this ~~Paragraph~~ **Section**,
5 "classroom teacher" shall mean any employee, whose position of employment
6 requires a valid Louisiana teaching certificate and who is assigned the professional
7 activities of instructing pupils in courses in classroom situations for which daily
8 pupil attendance figures for the school system are kept. Such classroom situations
9 may include teaching in a school classroom or in other settings such as a home or
10 hospital or other learning situations such as cocurricular activities, which instruction
11 may be provided in person or through an approved medium such as television, radio,
12 computer, Internet, multimedia telephone, and correspondence that is delivered
13 inside or outside the classroom or in other teacher-student settings.

14 * * *

15 (4) A retired member who returns to active service covered by the provisions
16 of this Chapter ~~who retired on or after May 1, 2009, and on or before June 30, 2010,~~
17 ~~in a position requiring a valid Louisiana teaching certificate or a valid Louisiana~~
18 ~~ancillary certificate~~ **as a substitute classroom teacher who teaches any student in**
19 **pre-kindergarten through twelfth grade. For purposes of this Paragraph**
20 **"substitute classroom teacher" shall mean a classroom teacher employed in a**
21 **temporary capacity to fill the position of another classroom teacher who is**
22 **unavailable to teach for any reason. Such substitute classroom teacher's**
23 **earnings from his return to active service shall not exceed twenty-five percent**
24 **of his benefit during any fiscal year. If actual earnings exceed this amount in**
25 **any fiscal year, the benefits payable to the retiree shall be reduced by the**
26 **amount in excess of twenty-five percent of his benefit.**

27 **(5) A retired member who holds an advanced degree in speech therapy,**
28 **speech pathology, or audiology.**

29 **(6) A retired member who has a valid Louisiana teaching certificate who**

1 D. When any retiree returns to active service with an employer covered by
2 the provisions of this Chapter, the employing agency shall, within thirty days
3 thereafter, notify the board of trustees in writing of such employment, the date on
4 which employment commenced, and a determination by the employer as to whether
5 such person is a "retired teacher" pursuant to Subsection A of this Section. Upon
6 termination, the agency shall provide the same notice. In addition, the employing
7 agency shall also report to the retirement system within forty-five days after June
8 thirtieth of each year, the name of all persons being paid by the employing agency
9 **and all persons having received a benefit pursuant to the provisions of this**
10 **Section, ~~their~~ along with such individuals' social security numbers, their positions,**
11 **their designation as part-time or full-time,** and the amount of their earnings during
12 the previous fiscal year ending on June thirtieth of the reporting year. **Additionally,**
13 **the employing agency shall transmit a monthly contributions report pursuant**
14 **to R.S. 11:888(A). Such monthly reports shall be transmitted within thirty days**
15 **of the last day of each month and shall include the salary paid to all individuals**
16 **identified as a "retired teacher" pursuant to Subsection A of this Section.**
17 Should failure to give notice of return to active service **or failure to report any**
18 **other information required by this Section** result in any payment being made in
19 violation of this Section, the employing agency shall be liable to the system for the
20 repayment of such amounts.

21 * * *

22 Section 2. R.S. 11:710(H) is hereby repealed in its entirety.

23 Section 3. The cost of this Act, if any, shall be funded with additional employer
24 contributions in compliance with Article X, Section 29(F) of the Constitution of Louisiana.

25 Section 4. This Act shall become effective on July 1, 2012; if vetoed by the governor
26 and subsequently approved by the legislature, this Act shall become effective on July 1,
27 2012, or on the day following such approval by the legislature, whichever is later.

The original instrument was prepared by Lauren Bailey. The following digest, which does not constitute a part of the legislative instrument, was prepared by Michelle Broussard-Johnson.

DIGEST

Cortez (SB 19)

Present law prohibits any retiree of the Teachers' Retirement System of Louisiana (TRSL) other than a "retired teacher" from receiving a retirement benefit while reemployed. Provides that anyone other than a "retired teacher" shall have his benefit suspended during reemployment. Defines "retired teacher" as:

1. Any retired member who returns to work full-time or part-time as a classroom teacher offering instructional services to any student in grades K through 12 in a "critical shortage area".
2. Any retired member who returns to active service as a full-time certified speech therapist, speech pathologist, or audiologist whose position of employment requires a valid La. ancillary certificate approved and issued by the state Dept. of Education in a school district where a shortage exists.
3. Any retired member who returns to active service on or before June 30, 2010.
4. Any retired member who returns to active service who retired on or after May 1, 2009, and on or before June 30, 2010, in a position requiring a valid Louisiana teaching certificate or a valid Louisiana ancillary certificate.

Proposed law retains present law (1), (2), and (3); however, replaces (4) with retirees who are reemployed as substitute pre-K through 12 classroom teachers.

Proposed law provides that the earnings of any such substitute teacher shall not exceed 25% of his retirement benefit in any fiscal year. If earnings exceed this amount, such substitute's retirement benefit will be reduced by the amount in excess of the 25%.

Proposed law adds to the definition of "retired teacher":

- (a) retired members who are instructing adults through adult education of literacy programs administered through a public institution of elementary or secondary education, and
- (b) retired members who hold advanced degrees in speech therapy, speech pathology, and audiology.

Present law requires each employer to report to the system and to the House and Senate committees on retirement the names, positions, and salaries of each person reemployed by such employer as of Jan. 1, 2010, who was receiving a retirement benefit pursuant to the provisions of present law. Requires such reports annually.

Proposed law changes the date of such reporting to within 45 days after June 30th. No longer requires reporting to the House and Senate committees on retirement, and instead requires such information to be reported to TRSL only. Additionally requires monthly reporting by an employer of a rehired retiree's salary information. Requires reporting of whether the reemployment is part-time or full-time.

Present law provides that if a failure by an employing agency to report on a reemployed retiree causes any overpayment of benefits, the employer shall be liable to TRSL for repayment of such overpayment.

Proposed law retains present law and provides further that the failure of the employing agency to report to TRSL any information required by present law or proposed law shall cause the employer to be liable to TRSL for any overpayment of benefits.

Requires that any cost of proposed law be funded by additional employer contributions in compliance with Art. X, Sec. 29(F) of the Constitution of La.

Effective July 1, 2012.

(Amends R.S. 11:710(A)(1) and (4), (B)(1)(a), (C)(2), and (D); adds R.S. 11:710(A)(5) and (6); repeals R.S. 11: 710 (H))

Summary of Amendments Adopted by Senate

Senate Floor Amendments to engrossed bill.

1. Technical amendments made.
2. Adds the group of those retired holding an advanced degree in speech therapy, speech pathology, or audiology to the definition of "retired teacher".
3. Changes application to substitutes from K through 12 classroom teachers to pre-K through 12 classroom teachers.
4. Adds certain retirees who are reemployed as instructors of adult education or literacy programs to those who may receive benefits during reemployment. Limits the earnings to 25% of benefits during any fiscal year.