

SENATE BILL NO. 38

BY SENATOR GUILLORY

1 AN ACT

2 To amend and reenact R.S. 11:2144(A) and to enact Part X of Chapter 6 of Subtitle III of
3 Title 11 of the Louisiana Revised Statutes of 1950, to be comprised of R.S.
4 11:2165.1 through 2165.7, relative to the Registrars of Voters Employees'
5 Retirement System; to provide relative to membership, benefit calculation,
6 retirement eligibility, and disability benefits for certain members; to provide an
7 effective date; and to provide for related matters.

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

9 Be it enacted by the Legislature of Louisiana:

10 Section 1. R.S. 11:2144(A) is hereby amended and reenacted and Part X of Chapter
11 6 of Subtitle III of Title 11 of the Louisiana Revised Statutes of 1950, comprised of R.S.
12 11:2165.1 through 2165.7, is hereby enacted to read as follows:

13 §2144. Deferred Retirement Option Plan

14 A. In lieu of terminating employment and accepting a service retirement
15 allowance pursuant to this Section, any member who is eligible to receive retirement
16 benefits as provided for in R.S. 11:2071 or **R.S. 11:2165.4** may elect to participate
17 in the Deferred Retirement Option Plan and defer the receipt of benefits in
18 accordance with the provisions of this Section.

19 * * *

20 **§2165.1. Creation; application**

21 **There is hereby created a second tier of benefits within this system for**
22 **persons whose first employment making them eligible for membership in this**
23 **system occurred on or after January 1, 2013. The provisions of this Part shall**
24 **be known as "Tier 2" of the system. The provisions of this Chapter applicable**
25 **to persons whose first employment making them eligible for system membership**
26 **occurred before January 1, 2013, shall be known as "Tier 1". Any other**
27 **provisions of this Chapter or any other laws to the contrary notwithstanding,**

1 the retirement of such persons shall be governed by the provisions of this Part;
2 however, if provisions of this Chapter applicable to the original plan cover
3 matters not specifically addressed by the provisions of this Part or if any of the
4 provisions of this Chapter are made applicable in this Part, then those
5 provisions shall apply to members governed by this Part.

6 §2165.2. Definitions

7 A. As used in this Part, the following terms have the meanings ascribed
8 below unless a different meaning is clearly required by the context:

9 (1) "Average compensation" shall mean the average annual earned
10 compensation of an employee for any period of sixty successive or joined
11 months of service as an employee during which earned compensation was the
12 highest. In case of interruption of employment, the sixty-month period shall be
13 computed by joining employment periods immediately preceding and
14 succeeding the interruption.

15 (2) "Member" shall include persons who would be eligible for system
16 membership pursuant to R.S. 11:2051 but whose first employment making them
17 eligible for membership in this system occurred on or after January 1, 2013.

18 B. Terms not specifically defined in this Section shall have the meanings
19 provided in R.S. 11:2031 unless a different meaning is clearly required by the
20 context.

21 §2165.3. Eligibility for membership

22 Each person who would be eligible for Tier 1 membership but whose
23 first employment making him eligible for membership in this system occurred
24 on or after January 1, 2013, shall become a member of the Tier 2 of the system
25 as a condition of employment.

26 §2165.4. Eligibility for retirement

27 A. A member upon withdrawal from service shall be entitled to receive
28 a retirement allowance which shall begin as of the date specified by the member
29 in his application for the allowance but in no event before withdrawal from
30 service if he has:

1 (1) Attained the age of sixty-two years and completed at least ten years
 2 of creditable service.

3 (2) Attained the age of sixty years and completed at least twenty years
 4 of creditable service.

5 (3) Attained the age of fifty-five years and completed at least thirty years
 6 of creditable service.

7 B. Any member whose withdrawal from service occurs prior to his
 8 attaining the age of sixty-two years, who shall have completed more than ten
 9 years of creditable service and shall not have received a refund of his
 10 accumulated contributions shall be entitled to receive a retirement allowance
 11 beginning upon his attaining the age of sixty-two years of the amount earned
 12 and accrued at the date of withdrawal from service; provided that such benefits
 13 shall begin at age sixty if he has twenty or more years of creditable service;
 14 provided further that such benefits shall begin at age fifty-five if he has thirty
 15 or more years of creditable service.

16 §2165.5. Annual amount of retirement allowance

17 A. The annual amount of the retirement allowance for any member who
 18 upon retirement has less than thirty years of creditable service in this fund shall
 19 be three percent of the average final compensation for each year of creditable
 20 service. The annual amount of the retirement allowance for any member who
 21 upon retirement shall have at least thirty years of total creditable service, with
 22 at least twenty years of creditable service in this system, shall be three and one-
 23 third percent of the average final compensation for each year of creditable
 24 service.

25 B. The benefits provided in this Section shall not exceed one hundred
 26 percent of average compensation.

27 §2165.6. Disability Retirement

28 A. Eligibility for disability benefits, procedures for application for
 29 disability benefits, procedures for the certification of continuing eligibility for
 30 disability benefits, the authority of the board of trustees to modify disability

1 benefits, and procedures governing the restoration to active service of a
2 formerly disabled employee are specifically provided for in Subpart E of Part
3 II of Chapter 4 of Subtitle I of this Title.

4 B. The board of trustees shall award disability benefits to eligible
5 members who have been officially certified as disabled by the State Medical
6 Disability Board. The disability benefit shall be determined as follows:

7 (1) Upon retirement for disability, a member shall receive a retirement
8 allowance if eligible therefor; otherwise, he shall receive a disability benefit
9 which shall be the product of the retirement accrual rate as determined
10 pursuant to R.S. 11:2072 multiplied by the member's average compensation
11 further multiplied by service as determined to be the lesser of:

12 (i) Creditable service earned by the date of the disability application, but
13 totaling not less than fifteen years.

14 (ii) Projected continued service to age sixty-two.

15 (2) In no case shall the disability benefit provided herein exceed two-
16 thirds of earnable compensation.

17 (3) Any amount received as a compensable wage or a lump sum
18 settlement under the provisions of the workers' compensation laws shall be
19 applied as an offset against benefits received under the provisions of this
20 Subsection, pursuant to rules prescribed by the board. The board shall have
21 complete discretion and the authority to determine the extent and application
22 of the provisions of this Subsection.

23 (4) A member who qualifies for disability retirement benefits may select
24 an Option 2 or 3 as specified in R.S. 11:2076 with his spouse as beneficiary.
25 Such option factors shall be the same as those utilized for regular retirement
26 and shall be based on the age that the member and spouse would have attained
27 had the member survived, continued in service, and then retired on the earliest
28 normal retirement date.

29 §2165.7. Application

30 The provisions of the applicable Tier 1 plan shall apply to Tier 2 for any

1 matter on which this Part is silent. In case of any conflict between the
2 provisions of Tier 1 and Tier 2, Tier 2 shall prevail.

3 Section 2. This Act shall become effective on June 30, 2012; if vetoed by the
4 governor and subsequently approved by the legislature, this Act shall become effective on
5 June 30, 2012, or on the day following such approval by the legislature, whichever is later.

PRESIDENT OF THE SENATE

SPEAKER OF THE HOUSE OF REPRESENTATIVES

GOVERNOR OF THE STATE OF LOUISIANA

APPROVED: _____