

Regular Session, 2012

SENATE BILL NO. 6

BY SENATOR GUILLORY

SCHOOL EMPLOYEES RET. Provides for annual reporting to the La. School Employees' Retirement System on privatized jobs. (6/30/12)

1 AN ACT

2 To amend and reenact R.S. 11:1195.1(B) and (C) and 1195.2(B) and (C) and to enact R.S.

3 11:1195.1(D) and 1195.2(D), relative to the Louisiana School Employees'

4 Retirement System; to provide for reporting of positions and employees that cease

5 to be covered by the retirement system; to provide for audits to ensure compliance;

6 to provide for an effective date; and to provide for related matters.

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

8 Be it enacted by the Legislature of Louisiana:

9 Section 1. R.S. 11:1195.1(B) and (C) and 1195.2(B) and (C) are hereby amended
10 and reenacted and R.S. 11:1195.1(D) and 1195.2(D) are hereby enacted to read as follows:

11 §1195.1. Unfunded accrued liability; payment by employer; **reporting**

12 * * *

13 **B. Each employer shall report to the retirement system on all employees**

14 **whose positions have been eliminated as provided in Subsection A of this**

15 **Section. Such reports shall be submitted by October fifteenth of each year on**

16 **a form provided by the retirement system. In order to ensure compliance and**

17 **accuracy of the report, the system shall have the right to audit the records of the**

1 **employer upon reasonable notice.**

2 ~~B.C.~~ The amount due shall be determined by the actuary employed by the
3 system and shall be amortized over ten years. The amount shall be paid in equal
4 monthly payments, in the same manner as regular payroll payments to the system.

5 ~~C.D.~~ Should the employer fail to make a payment timely, then the amount
6 due shall be collected in the same manner as authorized by R.S. 11:1202.

7 §1195.2. Unfunded accrued liability; payment by employer; any position; **reporting**

8 * * *

9 **B. Each employer shall report to the retirement system on all positions**
10 **that have been eliminated as provided in Subsection A of this Section. Such**
11 **reports shall be submitted by October fifteenth of each year on a form provided**
12 **by the retirement system. In order to ensure compliance and accuracy of the**
13 **report, the system shall have the right to audit the records of the employer upon**
14 **reasonable notice.**

15 ~~B.C.~~ The amount due shall be determined by the actuary employed by the
16 system and shall be amortized over ten years. The amount may be paid in a lump
17 sum or equal monthly payments with interest at the actuarial rate in the same manner
18 as regular payroll payments to the system, at the option of the employer.

19 ~~C.D.~~ Should the employer fail to make a payment timely, then the amount
20 due shall be collected in the same manner as authorized by R.S. 11:1202.

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

The original instrument and the following digest, which constitutes no part
of the legislative instrument, were prepared by Laura Gail Sullivan.

DIGEST

Present law relative to the La. School Employees' Retirement System (LSERS) provides that if an employer eliminates employees or positions through privatizing, outsourcing, contracting for the covered service with a private employer, or any other means, the employer must remit to LSERS the portion of the unfunded accrued liability (UAL) existing on June 30th immediately prior to the date of termination attributable to any employee or position being terminated.

Present law further provides for calculation of the amount due to the retirement system and penalties for failure to timely pay amounts owed under present law.

Proposed law retains present law.

Proposed law further requires each school system to report on all employees and positions which have been privatized, outsourced, or otherwise eliminated pursuant to present law to LSERS by October 15 of each year. Provides for forms for submission of the reports and provides for audits to ensure compliance.

Effective June 30, 2012.

(Amends R.S. 11:1195.1(B) and (C) and 1195.2(B) and (C); adds R.S. 11:1195.1(D) and 1195.2(D))