

2016 Regular Session

HOUSE BILL NO. 13

BY REPRESENTATIVE PEARSON

RETIREMENT/TEACHERS: Authorizes a member of the Teachers' Retirement System of Louisiana to purchase credit for service as a teacher at an out-of-state nonpublic school

1 AN ACT

2 To amend and reenact R.S. 11:728(C)(1) and (2), relative to the purchase of service credit
3 in the Teachers' Retirement System of Louisiana for out-of-state service; to provide
4 relative to the purchase of service credit for teaching service at an out-of-state
5 nonpublic school; to provide relative to calculation and payment of purchase price
6 for such service credit; to provide requirements for establishing such service credit;
7 and to provide for related matters.

8 Notice of intention to introduce this Act has been published
9 as provided by Article X, Section 29(C) of the Constitution
10 of Louisiana.

11 Be it enacted by the Legislature of Louisiana:

12 Section 1. R.S. 11:728(C)(1) and (2) are hereby amended and reenacted to read as
13 follows:

14 §728. Prior service credit

15 * * *

16 C.(1)(a) Notwithstanding any other provision of this Chapter or of any other
17 law to the contrary, any person who is a member of this system shall be eligible to
18 obtain credit in this system for teaching service rendered in any charter school,
19 nonpublic college or university in Louisiana, ~~or state approved~~ state-approved

1 elementary or secondary nonpublic or parochial school in Louisiana, or elementary
2 or secondary nonpublic school in another state that was, at the time of such service,
3 approved by the appropriate state educational agency in that state.

4 (b)(i) To obtain credit for the service set forth in Subparagraph (a) of this
5 Paragraph, the member shall, prior to the date of the member's application for
6 retirement, submit an application to the board of trustees for such credit and shall
7 furnish a detailed statement of all service for which credit is claimed in such form
8 as the board may require.

9 (ii) In addition, if the member is eligible to retire at the time he establishes
10 credit for such service, there shall be paid into the system an amount equal to the
11 present value of the additional retirement benefit payable on account of his service
12 ~~in charter schools or nonpublic or parochial schools or colleges~~ rendered in any
13 school, college, or university described in Subparagraph (a) of this Paragraph should
14 he retire at the time credit for such service is established.

15 (iii) If the member is not eligible to retire at the time he establishes credit for
16 service ~~in charter schools or nonpublic or parochial schools or colleges~~ rendered in
17 any school, college, or university described in Subparagraph (a) of this Paragraph,
18 there shall be paid into the system an amount which, if invested at regular interest,
19 would accumulate to an amount equal to the present value of the additional
20 retirement benefit payable on account of his service ~~in charter schools or nonpublic~~
21 ~~or parochial schools or colleges~~ rendered in any school, college, or university
22 described in Subparagraph (a) of this Paragraph should the member continue until
23 the earliest date he is eligible to retire.

24 (2)(a) In determining the present value of the additional benefit payable on
25 account of service ~~in charter schools or nonpublic or parochial schools or colleges~~
26 rendered in any school, college, or university described in Subparagraph (1)(a) of
27 this Subsection and the amounts to be paid for credit for such service, regular
28 interest, salary scales used to project future salary increases, and the tables of the
29 system as adopted by the board of trustees shall be utilized.

1 (b) Amounts paid to establish credit for teaching service ~~in charter schools~~
2 ~~or nonpublic or parochial schools or colleges~~ rendered in any school, college, or
3 university described in Subparagraph (1)(a) of this Subsection shall be credited to
4 the member's account in the Annuity Savings Fund. Such amounts shall be paid in
5 one lump sum.

6 * * *

7 Section 2. Any actuarial cost of this Act not funded by member payments required
8 in Section 1 of this Act shall be funded with increased employer contributions in compliance
9 with Article X, Section 29(F) of the Constitution of Louisiana.

10 Section 3. This Act shall become effective on July 1, 2016; if vetoed by the governor
11 and subsequently approved by the legislature, this Act shall become effective on July 1,
12 2016, or on the day following such approval by the legislature, whichever is later.

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 13 Engrossed 2016 Regular Session Pearson

Abstract: Authorizes a member of the Teachers' Retirement System of La. (TRSL) to purchase service credit for time spent as a teacher at a nonpublic elementary or secondary school in another state.

Present law authorizes members of TRSL to purchase service credit in the retirement system for teaching service rendered in any of the following:

- (1) A public school system of any other state.
- (2) A charter school.
- (3) A nonpublic college or university in La.
- (4) A state-approved elementary or secondary nonpublic or parochial school in La.

Proposed law further authorizes members to purchase credit for teaching service rendered at an elementary or secondary nonpublic school in another state if the school was approved by the appropriate state educational agency.

Present law provides requirements for the member's application to establish credit for any such service. Proposed law retains present law.

Present law further provides for the calculation of the purchase price for such service credit. Proposed law retains present law.

Proposed law requires that any cost of proposed law not funded by the purchase price paid by participating members be funded with additional employer contributions in compliance with Art. X, Sec. 29(F) of the state constitution.

Effective July 1, 2016.

(Amends R.S. 11:728(C)(1) and (2))

Summary of Amendments Adopted by House

The Committee Amendments Proposed by House Committee on Retirement to the original bill:

1. Make technical changes.