

Regular Session, 2012

HOUSE BILL NO. 988

BY REPRESENTATIVE JONES AND SENATORS NEVERS AND WARD

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AN ACT

To amend and reenact R.S. 11:546(C) and 2257(C) and to enact R.S. 11:444(A)(2)(d), 546(D), (E), and (F), and 605(D), relative to retirement benefits for persons employed in public safety positions; to provide for benefit calculation and options for payment of such benefits; to provide for funding of such benefits; to provide relative to the deferred retirement option plan participation; to provide for qualifications; to authorize an extension of the period for members currently in the plan; and to provide for related matters.

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

Be it enacted by the Legislature of Louisiana:

Section 1. R.S. 11:546(C) and 2257(C) are hereby amended and reenacted and R.S. 11:444(A)(2)(d), 546(D), (E), and (F), and 605(D) are hereby enacted to read as follows:

§444. Computation of retirement benefit

A.

* * *

(2)

* * *

(d)(i) Probation and parole officers in the office of adult services of the Department of Public Safety and Corrections who were employed on or before December 31, 2001, who did not opt to join the secondary component of this system pursuant to R.S. 11:605(A), and who retire or begin participation in the Deferred

1 D.(1) Until any actuarially accrued liability for retirement benefits for
2 probation and parole officers in the office of adult services of the Department of
3 Public Safety and Corrections created pursuant to the Act of the 2012 Regular
4 Session of the Legislature that enacted this Subsection has been fully funded, the
5 monies in the fund shall be used exclusively for the purpose of providing funding for
6 such actuarially accrued liability, for payment of any normal cost increase caused by
7 the Act of the 2012 Regular Session of the Legislature that amended this Subsection,
8 and for reimbursement as provided in R.S. 11:605(D)(2).

9 ~~(2) If the legislature does not provide for such benefit enhancements by June~~
10 ~~30, 2015~~ After such actuarially accrued liability has been fully funded, all monies in
11 the fund shall be ~~available to the Department of Public Safety and Corrections to~~
12 ~~help defray the costs of supervision of persons on probation or parole~~ distributed by
13 the treasurer on an annual basis to the retirement system for exclusive use in
14 payment of the unfunded accrued liability of the system.

15 E.(1) As soon as practicable after the effective date of the Act of the 2012
16 Regular Session of the Legislature which enacted this Subsection, but no later than
17 September 30, 2012, the treasurer shall allocate and distribute to the system from the
18 fund an initial payment of two and one-half million dollars. This payment shall be
19 used first to fully fund the first year's normal cost increase. The balance shall be
20 applied to the amortization of the unfunded accrued liability, if any, created by
21 enactment of R.S. 11:444(A)(2)(d). The June 30, 2012, system valuation shall
22 account for this initial payment.

23 (2) On October 1, 2013, and on or before October first of each fiscal year
24 thereafter, the treasurer shall allocate and distribute to the system from the fund the
25 amount of any amortization and normal cost payments calculated by the system
26 actuary and contained in the system's valuation for the previous fiscal year and
27 approved by the Public Retirement Systems' Actuarial Committee to be paid from
28 the fund; however, in no case shall the allocation and distribution to the system
29 provided for in this Paragraph exceed the balance in the fund.

1 permitted pursuant to Subparagraph (B)(2)(b) of this Section, and who retires or
2 begins participation in the Deferred Retirement Option Plan on or after July 1, 2012,
3 shall receive a benefit calculated using a three percent accrual rate for all creditable
4 service in the system earned before the date the member transferred to the secondary
5 component.

6 (2)(a) Any member who is a probation and parole officer in the office of
7 adult services of the Department of Public Safety and Corrections, who was
8 employed on or before December 31, 2001, who retires or begins participation in the
9 Deferred Retirement Option Plan on or after July 1, 2012, who elected to transfer
10 from the primary component to the secondary component, and who upgraded his
11 service credit as permitted pursuant to Subparagraph (B)(2)(b) of this Section, may
12 elect to be reimbursed without interest for the cost of such upgrade and to have his
13 benefit calculated using a three percent accrual rate for all creditable service in the
14 system earned before the date the member transferred to the secondary component.

15 (b) Such reimbursement shall be made exclusively from the monies in the
16 fund created pursuant to R.S. 11:546. The department shall promulgate rules for
17 application for, calculation of, and recommendation to the Joint Legislative
18 Committee on the Budget regarding such reimbursement. No application for such
19 reimbursement shall be accepted before October 3, 2012.

20 (c) The department shall inform the system of the amount of each
21 reimbursement and to whom it was made. The system shall apply an amount equal
22 to each reimbursement to the credit of the department in the next year's valuation
23 and shall add the liability for each reimbursed member's benefit increase to the
24 balance owed to the system.

25 * * *

26 §2257. Deferred Retirement Option Plan

27 * * *

28 C. The duration of participation in the plan shall be specified and shall not
29 exceed ~~three years~~: the following:

CODING: Words in ~~struck through~~ type are deletions from existing law; words underscored are additions.

1 vetoed by the governor and subsequently approved by the legislature, this Act shall become
2 effective on the day following such approval.

SPEAKER OF THE HOUSE OF REPRESENTATIVES

PRESIDENT OF THE SENATE

GOVERNOR OF THE STATE OF LOUISIANA

APPROVED: _____