

Regular Session, 2014

SENATE RESOLUTION NO. 191

BY SENATOR GUILLORY

RETIREMENT SYSTEMS. Requests the Senate Committee on Retirement to study the effects of extending the participation period of deferred retirement option plans from three to five years.

1 A RESOLUTION

2 To urge and request the Senate Committee on Retirement to study the effects of extending
3 the participation period of deferred retirement option plans (DROP) from three to
4 five years.

5 WHEREAS, the legislature has deep care and concern for the funding and health of
6 the public retirement systems in Louisiana, and is diligent in its duty to assure that public
7 servants have a sustainable retirement; and

8 WHEREAS, there are thirteen public retirement systems in the state of Louisiana that
9 the legislature oversees: Louisiana State Employees' Retirement System, Teachers'
10 Retirement System of Louisiana, Louisiana School Employees' Retirement System,
11 Louisiana State Police Retirement System, Louisiana Assessors' Retirement Fund, Clerks'
12 of Court Retirement and Relief Fund, District Attorneys' Retirement System, Firefighters'
13 Retirement System, Municipal Employees' Retirement System of Louisiana, Municipal
14 Police Employees' Retirement System, Parochial Employees' Retirement System of
15 Louisiana, Registrars of Voters Employees' Retirement System, and Sheriffs' Pension and
16 Relief Fund; and

17 WHEREAS, it is clear that DROP either increases employer contributions or reduces
18 employee benefits, neither of which is considered good policy by this legislature; and

1 WHEREAS, the value of the benefits that have been lost through DROP participation
2 cannot be ascertained; and

3 WHEREAS, a brief examination of the Louisiana Public Retirement Law shows
4 unequivocally that altering a benefit for one system often leads to other systems making the
5 same change, which in this case may produce a substantial but unknown cost to be incurred
6 by the state and its public subdivisions.

7 THEREFORE, BE IT RESOLVED that the Senate of the Legislature of Louisiana
8 does hereby urge and request the Senate Committee on Retirement to study the effects of
9 extending the participation period of deferred retirement option plans from three to five
10 years.

11 BE IT FURTHER RESOLVED that the Louisiana Legislative Auditor and the
12 Legislative Fiscal Office are encouraged to participate in this study.

The original instrument and the following digest, which constitutes no part
of the legislative instrument, were prepared by Margaret M. Corley.

DIGEST

Guillory

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