

SENATE RESOLUTION NO. 191

BY SENATOR GUILLORY

A RESOLUTION

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

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

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

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

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

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

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

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ENROLLED

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

PRESIDENT OF THE SENATE