



Laws and Regulations

Current through **2016 Regular Legislative Session**

LASERS *Benefits Louisiana.*

Louisiana State Employees'
Retirement System

Table of Contents

LOUISIANA CONSTITUTION.....	1
Article III.....	1
Section 2 – Sessions.....	1
Article V	3
Section 23 – Judges; Retirement.....	3
Article VII	3
Section 10 – Expenditure of State Funds.....	3
Article X	9
Section 29 – Retirement and Survivor’s Benefits.....	9
Section 29.1 – Part-time Public Officials.....	12
LOUISIANA REVISED STATUTES	15
Title 11: CONSOLIDATED PUBLIC RETIREMENT SYSTEMS	15
Subtitle I. General and Preliminary Provisions	15
Chapter 1. Preliminary Provisions.....	15
§1. Short title	15
§2. Purpose of Title	15
§3. Conflicts; provisions of Title to control.....	15
§4. Classifications of public retirement systems; state systems; statewide systems.....	15
Chapter 2. Required Contributions.....	17
Part I. General.....	17
§11. Purpose of Chapter	17
Part II. Contribution Provisions	17
Subpart A. Actuarial Valuation Methods.....	17
§21. Purpose of Subpart	17
§22. Methods of actuarial valuation established	17
§23. Funded percentage; state systems	18
Subpart B. Amortization of Unfunded Accrued Liabilities.....	19
§41. Purpose of Subpart	19
§42. Unfunded accrued liabilities; amortization.....	19
Subpart C. Employee Contributions.....	21
§61. Purpose of Subpart	21

§62. Employee contribution rates established.....	22
Subpart D. Tax Contributions.....	26
§81. Purpose of Subpart	26
§82. Ad valorem tax contributions established	26
Subpart E. Employer Contributions.....	28
§101. Purpose of Subpart	28
§102. Employer contributions; determination; state systems	28
§102.1. Consolidation of amortization payment schedules; Louisiana State	39
§102.2. Consolidation of amortization payment schedules; Teachers' Retirement.....	45
§102.3 Review of volatility	45
§102.4. Priority excess return allocations; State Police Retirement System.....	45
§102.5. State systems' 2014 valuation amortization period.....	45
§102.6 Review of volatility	45
§103. Employer contributions; determination; statewide systems.....	46
§104. Employer contributions; determination date; notification.....	46
§105. Employer contributions; maintaining rates	46
§106. Additional employer contributions.....	46
§107. Additional employer contributions for Parochial Employees' Retirement System	46
§107.1 Funding deposit account	46
§107.2. Employer contributions; maintaining rates; reducing rate decreases; Firefighters' Retirement System; Municipal Police Employees' Retirement System	46
§108. Repealed by Acts 2013, No. 184, §5, eff. August 1, 2013.....	46
Chapter 3. Public Retirement Systems' Actuarial Committee	47
§121. Creation; purpose.....	47
§122. Committee; membership	47
§123. Compensation and expenses.....	48
§124. Quorum	48
§125. Meetings.....	48
§126. Officers	48
§127. Duties	48
Chapter 4. Provisions Affecting More Than One System	50
Part I. Special Provisions Relating to Age.....	50
§131. Repealed by Acts 1995, No. 682, §2.....	50

§132. Scope of application and precedence	50
§133. Compulsory retirement prohibited; exceptions	50
Part II. General Provisions	51
Subpart A. Credits, Creditable Service, Reciprocity.....	51
§141. Retention of credits	51
§142. Reciprocal recognition of credited service in state, parochial, and municipal systems	51
§143. Transfers between systems.....	54
§144. Repayment of refunded contributions	58
§144.1. Repayment of refunded contributions; merged retirement systems.....	58
§145. Creditable service of certain elected officials	58
§146. Credit for certain Louisiana State University service.....	59
§147. Elected public officials serving less than a full term of office because of the 1974 Constitution of Louisiana	60
§148. Membership age limitations.....	60
§149. Reemployment of retirees	62
§150. Reciprocal recognition; applicability	62
§151. Worker’s compensation benefits; employee and employer contributions to continue.....	62
§152. Military service credit.....	63
§153. Credit for military service.....	63
§153.1. Repealed by Acts 2001, No. 419, §2, eff. July 1, 2001	66
§154. Tax sheltering of employee contributions to retirement	66
§155. Receipt of benefits.....	68
§156. Deduction of employee benefit contributions from retiree benefit checks	68
§157. Firefighters’ Retirement System; Municipal Police Employees’ Retirement System; optional membership; refund of employee contributions; irrevocable election; reenrollment	68
§158. Service credit in state and statewide systems; price.....	68
§159. State superintendent of education; commissioner of higher education; participation	70
§160. Members employed in other public employment.....	70
§161. Members employed in other state or public employment.....	70
§162. Classes of employees not eligible for membership	71
§163. Credit for involuntary furlough; credit for leave without pay	72
§ 163.1. Voluntary or involuntary furlough; service credit; continuation of contributions.....	74

§164. Part-time public officials	75
§165. Funds or benefits payable to a succession	76
§166. Secretaries of appointed or elected chiefs of police; membership	76
Subpart B. Actuarial Statements and Reports	77
§171. Submission of reports to legislature	77
§172. Submission of annual report; penalty	77
§173. Audit reports; certified public accountants	78
§174. Death reports.....	79
§175. Membership information; public access	80
§176. Operating budget approval.....	80
Subpart C. Retirement Boards.....	82
§181. Composition of governing boards of state and statewide systems; per diem and expenses	82
§182. Boards of trustees of state and statewide public retirement systems; per diem and expenses	83
§183. Board members subject to Code of Governmental Ethics	84
§184. Meetings of state and statewide retirement boards and committees	84
§185. Educational requirements for members of retirement system boards of trustees	84
§186. Authorization for staff to attend executive sessions	86
Subpart D. Dual Employment; Dual Membership	88
§191. Dual employment	88
§192. Overpayment of benefits; corrections; repayment.....	89
Subpart E. Disability Retirement.....	90
§201. Clerks of Court Retirement and Relief Fund	90
§202. District Attorneys' Retirement System	90
§203. Teachers' Retirement System.....	90
§204. School Employees' Retirement System	90
§205. Repealed by Acts 2003, No. 478, §1, eff. July 1, 2003	90
§206. Registrars of Voters Employees' Retirement System.....	90
§207. Sheriffs' Pension and Relief Fund	90
§208. Municipal Police Employees' Retirement System	90
§209. Parochial Employees' Retirement System	90
§210. Municipal Employees' Retirement System	90
§211. Louisiana State Police Retirement System	90
§212. Louisiana State Employees' Retirement System	91

§213. Assessors' Retirement Fund.....	92
§214. Employees of the Enforcement Division in the Department of Wildlife and Fisheries	92
§215. Firefighters' Retirement System	92
§216. Preexisting conditions	93
§217. Disability vesting.....	93
§218. Application and examination procedures; certification of disability.....	93
§219. State Medical Disability Board.....	94
§220. Certification of continuing eligibility for disability benefits.....	95
§221. Authority of retirement boards to modify benefits; earnings statements.....	96
§222. Exemption from restrictions on other income for persons confined to a wheelchair; state police; municipal police; sheriffs.....	98
§223. Exemption from restrictions on other income for amputees; state police; municipal police.....	98
§224. Restoration to active service	98
§225. Restoration to active service; trial period	98
Subpart F. Retirement Benefit Computation	99
§231. Average compensation.....	99
§232. Repealed by Acts 2001, No. 436, §1, eff. July 1, 2001	99
§233. Earnable compensation.....	99
§234. Survivor benefits.....	99
Subpart F-1. Surviving Minor's Benefit Placed in Trust	100
§235. Minor's benefit placed in trust; payable under trust instrument.....	100
Subpart G. Cost-of-living Adjustments	101
§241. Purpose; formula for distribution	101
§242. Cost-of-living adjustments; permanent benefit increases; restrictions	101
§243. Cost-of-living adjustments; permanent benefit increases; restrictions; funding criteria	101
§244 to 245. Repealed by Acts 1999, No. 402, §2, eff. July 1, 1999	101
§246. Additional cost-of-living adjustments; retirees and beneficiaries over age sixty-five	101
§ 247. Automatic cost-of-living adjustments	101
§ 248. Surviving spouses of police officers	103
Subpart H. Professional Personnel	104
§251. Legal counsel, certified public accountants, professional investment personnel.....	104

Subpart I. Fiduciary and Investment Responsibilities	105
§261. Purpose	105
§262. Applicability.....	105
§263. Prudent-man rule; investments; reporting	106
§264. Fiduciary relationships.....	108
§264.1. Liabilities; discretionary control	108
§264.2. Fiduciary restriction; felony conviction.....	108
§264.3. Basic fiduciary duty	108
§264.4. Exclusive interest rule	109
§264.5. Breach of fiduciary duty.....	109
§264.6. Cofiduciary liability.....	109
§264.7. Remedies; jurisdiction; authority; attorney fees.....	110
§264.8. System policy regarding breach of fiduciary duty.....	110
§265. Compensation of investment advisors	111
§266. Investment performance standards.....	111
§266.1. Investment through Louisiana incorporated and domiciled broker-dealer.....	112
§267. Repealed by Acts 2010, No. 1004, §2, eff. July 1, 2010.	113
§268. Repealed by Acts 2010, No. 1004, §2, eff. July 1, 2010.	113
§269. Disclosure; consultants; money managers.....	113
Subpart J. Unfunded Accrued Liability	114
§271. Purpose; elimination of unfunded accrued liability	114
§272. Early retirement eligibility	115
Subpart K. Delinquent Contributions.....	117
§281. Failure to timely remit contributions; effect.....	117
Subpart L. Applicability of Certain Legal Determinations.....	118
§291. Community property interest	118
§292. Seizure for child support; garnishment or seizure related to felony convictions	119
§293. Forfeiture of retirement benefits; public corruption crimes	120
Subpart M. Commission on Public Retirement.....	123
§301 to 309. Repealed by Acts 2011, No. 207, §1, eff. August 15, 2011.	123
Subpart N. Investments in Prohibited Nations	124
§311. Purpose	124
§312. Application, definitions.....	124
§313. Prudent-man rule; investments	125

§314. Constructive engagement; direct ownership of securities	125
§315. Constructive engagement; securities held in a collective fund	127
§316. Terror-free index fund	129
Subpart O. Disaster Relief	131
§321. Withdrawal of funds from Deferred Retirement Option Plan accounts	131
§322. Withdrawal of funds from Deferred Retirement Option Plan accounts	132
§323. Deferred Retirement Option Plan participation; members terminated due to hurricanes	133
§§324 to 350. [Blank]	134
§§351, 352.	134
Subtitle II. State Systems	135
Chapter 1. Louisiana State Employees' Retirement System	135
Part I. General Provisions	135
§401. Establishment of retirement system	135
§402. Name of system	135
§403. Definitions.....	135
§404. Falsification of records	140
§405. Exemption from execution; exception	140
§406. Amendments; cost-of-living adjustment.....	140
§407. Correction of administrative error	140
Part I-A. Electronic Signatures and Records	141
§408.1. Use of electronic signature on retirement records.....	141
§408.2. Establishment of procedures for the use of electronic signatures and records	141
§408.3. Electronic records as originals	142
§408.4. Ability to contest signatures	142
§408.5. Definitions.....	142
Part II. Membership.....	144
§411. Eligibility for membership.....	144
§412. Membership service eligibility.....	145
§413. Classes of employees not eligible	145
§414. Transfers with federal civil service retirement system	148
§415. Termination of membership	148
§416. Employment of retirees	148

§416.1. Reemployment of retirees under Act No. 455 of the 2001 Regular Session	151
§417. Members employed in other state or public employment.....	152
Part III. Service	153
§421. Computation of service.....	153
§422. State service for which credit has not been received	154
§423. State service for which credit has not been received due to administrative error.....	155
§424. Conversion of annual and sick leave to retirement credit; payment.....	156
§425 to 427. Repealed by Acts 2004, No. 340, §2, eff. July 1, 2004	157
§428. Credit for certain federal service	157
§429. Purchase of service credit	158
§§430 to 432. Repealed by Acts 2004, No. 340, §2, eff. July 1, 2004	159
Part IV. Retirement and Retirement Benefits.....	160
Subpart A. Regular Retirement.....	160
§441. Eligibility for retirement	160
§441.1. Early Retirement and Payroll Reduction Act of 2006	164
§442. Application for retirement; effective date; cancellation; suspension of benefits.....	168
§443. Repealed by Acts 1995, No. 610, §3, eff. July 1, 1995	168
§444. Computation of retirement benefit	168
§445. Payment of benefit; guaranteed return of accumulated contributions	176
§446. Mode of payment where option elected	176
§447. Deferred Retirement Option Plan	181
§448. Plan participation.....	181
§449. Deferred Retirement Option Plan	182
§450. Termination of participation	183
§450.1. Deferred Retirement Option Plan participation; termination due to hurricanes.....	186
§451. Irrevocability of election.....	186
§451.1. Self-direct Deferred Retirement Option Plan participants' subaccounts ...	186
§451.2. Selection of providers.....	187
§451.3. Vested participants	188
§451.4. Rules and regulations.....	188
§452. Renunciation; retirement benefit or allowance	188
§453. Repealed by Acts 2006, No. 770, §2, eff. June 30, 2006	188

§454. Excess benefit arrangement.....	188
Subpart B. Disability Retirement.....	190
§461. Eligibility; certification	190
§462. Repealed by Acts 2001, No. 678, §2, eff. June 25, 2001	191
§463. Certification of continuing eligibility for disability benefits; paid by the Louisiana State Employees' Retirement System.....	191
Subpart C. Survivors' Benefits	192
§471. Survivors' benefits; members hired on or before December 31, 2010	192
§471.1. Survivors' benefits; members hired on or after January 1, 2011	193
§472. Manner of payment	196
§473. Surviving spouse and adult children.....	196
§474. Proof of entitlement to benefits.....	197
§475. Survivor refund	197
§476. Payment to named beneficiary in lieu of survivor's benefits; effect.....	197
§477. Limitations on payment of benefits.....	198
§478. Benefits payable to certain members killed in the line of duty;.....	199
§479. Redesignated as R.S. 11:503 by the Louisiana State Law Institute.....	200
§§480 to 482. [Blank]	200
Subpart D. Cost-of-living Adjustment.....	201
§491. Repealed by Acts 1999, No. 402, §2, eff. July 1, 1999	201
Subpart E. Supplemental Benefits	202
§501. Supplemental benefits.....	202
Subpart F. Optional Retirement Plan	203
§502. Creation of optional retirement plan	203
§502.1. Selection of providers.....	204
§502.2. Eligibility; irrevocable election	204
§502.3. Contributions	206
§502.4. Limitations; unclassified employees	208
§502.5. Benefits not obligation of the state; unclassified employees.....	208
§502.6. Implementation.....	209
Subpart G. Electronic Funds Transfer	210
§503. Payment by electronic funds transfer	210
Part V. Board of Trustees	211
§511. Composition of board of trustees.....	211
§512. Vacancies	212

§513. Officers; meetings; quorum; minutes; reports; compensation	212
§514. Domicile.....	213
§515. Powers and duties.....	213
§516. Joint administration with other systems.....	214
§517. Investments	214
Part VI. Financing--Accounting	215
§531. Monthly retirement report; employer and employee contributions	215
§532. Employees' Savings Account	216
§533. Employers' Accumulation Account	216
§534. Retiree's Annuity Reserve	217
§535. Expense account.....	217
§536. Bank accounts.....	218
§537. Refund of contributions; application, payment, effect, repayment to system; restoration of service.....	218
§538. Termination of contributions; benefits	219
§538.1. Rollover of distributions	219
§538.2 Notice of rollover distributions	220
§539. Reversion of funds prohibited.....	220
§540. Unclaimed funds, checks, and property; retention by system	221
§541. Payment of contributions; delinquency; agreement to deductions	221
§542. Experience account.....	222
§542.1. Supplemental cost-of-living increase for 2007; payment from experience account	228
§542.1.1 Minimum benefit increase; payment from experience account	230
§542.2. Permanent benefit increase; payable beginning July 1, 2016.....	232
§543. Collection of benefits not due	232
§544. Department of Revenue Alcohol and Tobacco Control Officers Fund	233
§545. Department of Public Safety Peace Officers Fund.....	234
§546. Adult Probation and Parole Officer Retirement Fund	236
Part VII. Provisions Relating to Other Groups	238
Subpart A. Judges and Officers of the Court	238
§551. Eligibility for membership	238
§552. Effect of failure to exercise option	238
§553. Eligible judges and court officers.....	238
§554. Exercise of option.....	240
§555. Membership and credit; additional	240

§556. Exercise of option; additional time granted	241
§557. Additional benefits	242
§558. Eligibility for retirement	242
§558.1. Credit resulting from certain delays	244
§558.2. District court judges' benefits; service credit; calculation	245
§559. Transfer of creditable service; purchase of credit for service	246
§560. Contributions	246
§561. Disability retirement pay	246
§562. Survivor benefits	247
§562.1. Continued eligibility for survivor benefits of minor children	247
§563. Additional creditable service	248
§564. Credit for service with indigent defender program	248
§565. Credit for service with Legal Aid Bureau	249
§565.1. Credit for service as full-time law clerk	249
§566. Assigned judges	249
§567. Existing members of system	250
§568. Vesting	250
§569. Payment of benefits, source	250
§570. Exemption from execution	250
§571. Applicability of other law	251
Subpart B. Wildlife Agents	252
§581. Application; definitions	252
§582. Eligibility; benefits	252
§583. Disability retirement	254
§583.1. Continuation of benefit	254
§584. Forced retirement	255
§585. Death benefits of surviving spouse	255
§586. Death benefits of minor children	255
§587. Death benefits of parents	256
§588. Death not in performance of duty	256
§589. Death before age fifty-five	256
§590. Forfeiture for remarriage	256
§591. Death of retired member	257
§592. Retirement; purchase of firearm	257
Subpart C. Public Safety Services	258
§601. Application; definitions	258

§602. Eligibility for membership	258
§603. In line of service disability.....	259
§604. Survivor’s benefit for members killed in the line of duty	259
§605. Transfer of other service credit.....	260
§606. Deferred Retirement Option Plan participation.....	261
§607. Repealed by Acts 2007, No. 414, § 2, eff. June 30, 2007	261
§608. Retirement purchase of firearm	261
§609. Purchase of firearm; retired peace officer	261
Subpart D. Hazardous Duty Services Plan	263
§611. Creation of Hazardous Duty Services Plan	263
§612. Application; definitions.....	263
§613. Eligibility for plan membership.....	265
§614. Eligibility for retirement.....	265
§615. Retirement benefit calculation.....	265
§616. Deferred Retirement Option Plan; Initial Benefit Option; Annual Cost-of-Living Adjustment Option.....	267
§617. Disability retirement.....	267
§618. Survivors’ benefits for members killed in the line of duty	268
§619. Survivors’ benefits for death other than in the line of duty	268
§620. Transfer of other service credit.....	268
§620.1. Transfer of other service credit; Harbor Police Retirement Plan employees	270
§621. Survivors’ benefits for former or retired members	272
Subpart E. Hazardous Duty Services Plan	273
§631. Administration of the Harbor Police Retirement Plan	273
LOUISIANA REVISED STATUTES	274
Title 11: CONSOLIDATED PUBLIC RETIREMENT SYSTEMS	274
Subtitle II. State Systems	274
Chapter 2. Teachers Retirement System of Louisiana.....	274
Part I. General Provisions	274
§701. Definitions (TRSL).....	274
Chapter 5: Judges’ Non-Contributory Plan.....	284
Part II. Payment of Benefits	284
§1381. Pension for former judges not eligible for retirement benefits	284
Chapter 7: Cash Balance Plan for State Retirement Systems	285

Subtitle IV. Municipal and Parish Systems	286
Chapter 3. Policemen’s Pension and Relief Funds.....	286
<i>Part II. Pension and Relief Funds in Particular Cities</i>	<i>286</i>
Subpart G. Harbor Police Retirement Plan (Port of New Orleans) in the Louisiana State Employees’ Retirement System	286
§3681. Name and date of establishment.....	286
§3682. Definitions.....	286
§3683. Membership.....	289
§3684. Creditable service.....	290
§3685. Benefits	293
§3685.1. Limitations on payment of benefits.....	300
§3685.2. Computation of retirement benefits	301
§3685.3. Annual compensation limitation for determination of benefits	305
§3686. Disability retirement.....	306
§3687. Optional allowance for superannuation retirement.....	308
§3688. Actuary; duties and actuarial assumptions	310
§3688.1. Amendments	311
§3689. Management of funds.....	311
§3690. Method of financing	311
§3690.1. Repealed by Acts 2014, No. 648, §3, eff. July 1, 2015	312
§3690.2. Unclaimed funds, checks, and property; retention by system.....	312
§3691. Repealed by Acts 2014, No. 648, §3, eff. July 1, 2015	312
§3692. Protection against fraud	312
§3693. Repealed by Acts 2014, No. 648, §3, eff. July 1, 2015	313
§3694. Repealed by Acts 2011, No. 399, §2, eff. July 1, 2011	313
§3695. Direct rollover	313
§3696. Errors and omissions.....	314
§3697. Effective dates.....	314
§3698. Repealed by Acts 2014, No. 648, §3, eff. July 1, 2015	314
MISCELLANEOUS PROVISIONS.....	315
Louisiana Revised Statutes	315
Title 9. Civil Code Ancillaries	315
Code Title I--of Successions	315
Chapter 2. Administration of Successions	315

§1515. Payment to surviving spouse or children of deceased	315
Code Title VI--Matrimonial Regimes	316
Chapter 1. Partition of Community Property	316
§2801. Partition of community property and settlement of claims arising from matrimonial regimes and co-ownership of former community property.....	316
Title 15. Criminal Procedure	319
Chapter 1. Code of Criminal Procedure Ancillaries.....	319
<i>Part I. Indigent Defender Representation</i>	<i>319</i>
§147. Powers, duties, responsibilities	319
Title 24. Legislature and Laws	323
Chapter 1. Legislature	323
<i>Part II. Members and Employees.....</i>	<i>323</i>
§31.5. Legislative assistants for members	323
§31.7. Allowances; declaration as non-emoluments	325
§36. Additional benefits payable to legislators; certain legislative personnel;.....	325
§36.1. Computation of benefits; widows presently drawing benefits.....	331
§36.2. Retirement benefits for certain public officials.....	331
§37. Regaining membership in actuarially funded retirement system.....	332
Title 29. Military, Naval, and Veterans' Affairs	333
Chapter 2. Veterans Generally	333
<i>Part VI. Military Service Relief Act.....</i>	<i>333</i>
Subpart G. Retirement System and Pension Benefit Plan Credit.....	333
§411. Retirement credit	333
§412. Contributions; payment during military service.....	333
§413. Employee pension benefit plans	333
§414. Public retirement systems; payment of contributions; interest	334
§415. Payment of death and survivor benefits; public retirement	335
§415.1. Inapplicability to deferred retirement option plans; public retirement	336
Title 44. Public Records and Recorders	337
Chapter 1. Public Records	337
§15. Medical records of persons applying for disability retirement.....	337
§16. Personal data records for certain members of public retirement systems, plans, or funds	337

Title 47. Revenue and Taxation.....	338
Subtitle II. Provisions relating to Taxes Collected and Administered by the Collector of Revenue.....	338
Chapter 4. Vehicle Registration License Tax	338
<i>Part II. Levy of Registration License Fee or Tax</i>	<i>338</i>
§463.141. Special prestige license plate; “State Employee Retired”	338
LOUISIANA CODE OF CIVIL PROCEDURE	340
Art. 84. Action involving certain retirement systems and employee benefit programs.....	340
LOUISIANA ADMINISTRATIVE CODE	341
(LASERS RULES)	341
TITLE 58—RETIREMENT	341
<i>Part I. Louisiana State Employees’ Retirement System</i>	<i>341</i>
Chapter 1. General Provisions.....	341
§101. Definitions.....	341
§103. Petitions for Adoption, Amendment, or Repeal of Rules; Form and Procedure	342
§105. Petitions for Declaratory Rulings on the Applicability of Agency Statutes, Rules or Orders	343
§107. Appeal to the Board of Trustees	343
§109. Waiver of the Electronic Funds Transfer Requirement.....	344
§111. Contributions by Electronic Funds Transfer or Certified Check	344
§113. Rollover of Refunds	344
§115. Plan Year	344
§117. Limitations Year	344
Chapter 3. Election of Active Member Trustees.....	345
§301. Eligible Candidates.....	345
§303. Nomination Process	345
§305. Vacancies; Special Elections.....	346
§307. Optional Retirement Plan Participants	346
Chapter 4. Rules Common to the Election of Both Active and Retired Member Trustees	347
§401. General Schedule of Elections	347
§403. Receipt of Nominating Petitions	348
§405. Election Process.....	348

§407. Winning Candidates	349
§409. Candidates Withdrawing Prior to Election	350
§411. No Solicitation.....	350
Chapter 5. Election of Retired Member Trustees	351
§501. Eligible Candidates.....	351
§503. Nomination Process	351
§505. Vacancies; Special Elections.....	352
Chapter 7. Purchase of Military Service	353
§701. Purchase of Military Service.....	353
§703. Requirements for Application to Purchase Military Service.....	353
Chapter 9. Retirement Credit for Active Members of the Military Reserves.....	355
§901. Requirements	355
§903. Exclusions	355
§905. Limitations	356
§907. Credit for Eligibility or Benefit Purposes.....	356
§909. Certification of Military Service	356
§911. Differential Payments Made by the Agencies	357
§913. Payment of Contributions after Military Service Is Completed	357
§915. Death and Survivor Benefits.....	357
Chapter 11. Voluntary Deductions from Retiree Benefits Payroll.....	359
§1101. Application Process for Voluntary Payroll Deduction.....	359
§1103. Applicant and Vendor Requirements	359
§1105. Notification, Implementation and Transition.....	361
§1107. Deduction Authorization.....	361
§1109. Solicitation of State Retirees	362
§1111. Vendor Responsibilities.....	362
§1113. LASERS Responsibilities.....	363
§1115. Reporting	363
§1117. Fees.....	363
§1119. Termination of Payroll Deduction	363
§1121. General Provisions	364
Chapter 13. Emergency Refunds	365
§1301. Conditions Giving Rise to an Emergency Refund	365
§1303. Procedure for an Emergency Refund.....	365
§1305. Responsibility for Overpayment of a Refund.....	366

Chapter 15. Purchases and Transfers of Service	367
§1501. Purchases and Transfers of Service; Calculations; Costs.....	367
§1503. Transfers of Service; Other Requirements	367
Chapter 17. Purchases of Service by Reinstated Employees	368
§1701. Purchases of Service by Reinstated Employees.....	368
§1703. Effect of Reinstatement	368
§1705. Service Credit for Dual Employment	369
§1707. Repayment of Refund of Contributions	369
§1709. Partial Repayment of Refund of Contributions	370
Chapter 19. Survivors' Benefits.....	371
§1901. Application for Benefits.....	371
§1903. Qualified Survivors	371
§1905. Proof of Entitlement to a Survivors' Benefit.....	371
§1907. Qualification for Benefit to Handicapped Children.....	372
§1909. Children of Previous Marriage.....	372
Chapter 21. Credit for Part-Time Service and Service in Multiple Positions	373
§2101. Credit for Part-Time Service and Service in Multiple Positions	373
Chapter 23. Renunciation of Benefit	374
§2301. Terms and Conditions of Renunciation of Benefit	374
Chapter 25. Procedures for Processing Disability Applications	376
§2501. Application for Disability Retirement.....	376
§2503. Disability Board Physician's Recommendation	376
§2505. Final Determination	377
§2507. Contesting Board Physician's Determination	378
§2509. Judicial Appeal	379
§2511. Certification of Continuing Eligibility	379
§2513. Limitation on Earnings.....	380
§2515. Report to the Board of Trustees	380
§2517. Appointment of Physicians to the State Medical Disability Board	380
§2519. Termination of Benefits.....	381
§2521. Notices	381
§2523. Conversion to Regular Retirement	381
Chapter 27. DROP Program	382
Subchapter A. Participation.....	382
§2701. Eligibility	382

Subchapter B. "Old" DROP	383
§2703. Participation in Three-Year Program	383
§2705. Effects of Participation.....	383
Subchapter C. Withdrawal	384
§2711. Methods of Withdrawal	384
§2713. Time for Disbursement	385
§2715. Interest	385
§2717. Changes in Withdrawal	386
Subchapter D. "New" DROP	387
§2719. Eligibility	387
§2721. Participation in New DROP	387
§2723. Initial Benefit Option	388
Chapter 29. Spousal Consent	390
§2901. Spousal Consent to Retirement Option.....	390
§2903. Instances Where Spousal Consent Is Not Required	390
Chapter 31. Excess Benefit Arrangement.....	391
§3101. Participation.....	391
§3103. Benefit	391
§3105. Contributions	391
§3107. Excess Plan Fund	392
§3109. Funding Assets.....	392
§3111. Non-Assignability of Benefits	392
§3113. Plan Administration.....	392
§3115. Retirement Benefit.....	392
§3117. DROP Benefits	393
Chapter 35. Optional Retirement Plan	395
§3501. Plan Year	395
§3503. Participation.....	395
§3505. Repealed, LR 34:97 (January 2008).	395
§3507. Employee Contributions	395
§3509. Employer Contributions	396
§3511. ORP Provider.....	396
§3513. Investment Options	396
§3515. Benefit Obligations	397
§3517. Distribution	397

Chapter 37. Leave Conversion to Retirement Credit or Cash Payment	398
§3701. Conversion of Leave to Retirement Credit	398
§3703. Lump Sum Payment of Leave	398
§3705. Tax Liability	398
Chapter 39. Public Safety Services Secondary Component	399
§3901. Additional Retirement Eligibility	399
Chapter 41. Self-Directed Plan	400
§4101. SDP Provider	400
§4103. Persons Vesting for DROP Prior to January 1, 2004	400
§4105. Eligibility for Transfer of Funds into SDP	400
§4107. Rollovers Out of SDP to Other Providers	400
§4109. Right to Recover Overpayments	401
§4111. Time to Transfer Funds	401
§4113. Spousal Consent	401
§4115. Completion of Notification Form	401
§4117. Distributions	402
§4119. No In-Service Distribution	402
§4121. Civil Service Reinstatement	402
§4123. Beneficiary	402
§4125. Investment Options	402
§4127. Participant Investment Direction	403
§4129. Distributions from the Plan	404
§4131. Domestic Relations Orders	404
§4133. Disclaimer	404
§4135. No DROP Interest	404
Chapter 43. Actuarial Calculations	406
§4301. Charges for Actuarial Calculations	406
Chapter 45. Effects of Act 75 of the 2005 Regular Session.....	407
§4501. Members Affected	407
§4503. Vesting Because of Prior State Employment.....	407

LOUISIANA CONSTITUTION

Article III

Section 2 – Sessions

(A) Annual Session.

- (1) The legislature shall meet annually in regular session for a limited number of legislative days in the state capital. A legislative day is a calendar day on which either house is in session.
- (2)
 - (a) No member of the legislature may introduce more than five bills that were not prefiled, except as provided in the joint rules of the legislature.
 - (b) Except as provided in Subsubparagraph (c) of this Subparagraph, any bill that is to be prefiled for introduction in either house shall be prefiled no later than five o'clock in the evening of the tenth calendar day prior to the first day of a regular session.
 - (c) Any bill to effect any change in laws relating to any retirement system for public employees that is to be prefiled for introduction in either house shall be prefiled no later than five o'clock in the evening of the forty-fifth calendar day prior to the first day of a regular session.
 - (d) The legislature is authorized to provide by joint rule for the procedures for passage of duplicate or companion instruments.
- (3)
 - (a) All regular sessions convening in even-numbered years shall be general in nature and shall convene at noon on the second Monday in March. The legislature shall meet in such a session for not more than sixty legislative days during a period of eighty-five calendar days. No such session shall continue beyond six o'clock in the evening of the eighty-fifth calendar day after convening. No new matter intended to have the effect of law shall be introduced or received by either house after six o'clock in the evening of the twenty-third calendar day. No matter intended to have the effect of law, except a measure proposing a suspension of law, shall be considered on third reading and final passage in either house after six o'clock in the evening of the fifty-seventh legislative day or the eighty-second calendar day, whichever occurs first, except by a favorable record vote of two-thirds of the elected members of each house.
 - (b) No measure levying or authorizing a new tax by the state or by any statewide political subdivision whose boundaries are coterminous with the state; increasing an existing tax by the state or by any statewide political subdivision whose boundaries are coterminous with the state; or legislating with regard to tax exemptions, exclusions, deductions or

Section 2 – Sessions

credits shall be introduced or enacted during a regular session held in an even-numbered year.

(4) (a) All regular sessions convening in odd-numbered years shall convene at noon on the second Monday in April. The legislature shall meet in such a session for not more than forty-five legislative days in a period of sixty calendar days. No such session shall continue beyond six o'clock in the evening of the sixtieth calendar day after convening. No new matter intended to have the effect of law shall be introduced or received by either house after six o'clock in the evening of the tenth calendar day. No matter intended to have the effect of law, except a measure proposing a suspension of law, shall be considered on third reading and final passage in either house after six o'clock in the evening of the forty-second legislative day or fifty-seventh calendar day, whichever occurs first, except by a favorable record vote of two-thirds of the elected members of each house.

(b) During any session convening in an odd-numbered year, no matter intended to have the effect of law, including any suspension of law, shall be introduced or considered unless its object is to enact the General Appropriation Bill; enact the comprehensive capital budget; make an appropriation; levy or authorize a new tax; increase an existing tax; levy, authorize, increase, decrease, or repeal a fee; dedicate revenue; legislate with regard to tax exemptions, exclusions, deductions, reductions, repeals, or credits; or legislate with regard to the issuance of bonds. In addition, a matter intended to have the effect of law, including a measure proposing a suspension of law, which is not within the subject matter restrictions provided in this Subparagraph may be considered at any such session if:

(i) It is prefiled no later than the deadline provided in Subparagraph (2) of this Paragraph, provided that the member shall not prefile more than five such matters pursuant to this Subsubparagraph; or

(ii) Its object is to enact a local or special law which is required to be and has been advertised in accordance with Section 13 of this Article and which is not prohibited by the provisions of Section 12 of this Article.

(B) Extraordinary Session. The legislature may be convened at other times by the governor and shall be convened by the presiding officers of both houses upon written petition of a majority of the elected members of each house. The form of the petition shall be provided by law. At least seven calendar days prior to convening the legislature in extraordinary session, the governor or the presiding officers, as the case may be, shall issue a proclamation stating the objects of the extraordinary session, the date on which it shall convene, and the number of days for which it is convened. The power to legislate shall be limited, under penalty of nullity, to the

objects specifically enumerated in the proclamation. The session shall be limited to the number of days stated therein, which shall not exceed thirty calendar days.

- (C) Emergency Session. The governor may convene the legislature in extraordinary session without prior notice or proclamation in the event of public emergency caused by epidemic, enemy attack, or public catastrophe.
- (D) Organizational Session. The legislature shall meet in an organizational session in the state capitol to be convened at ten o'clock in the morning on the day the members are required to take office. No such session shall exceed three legislative days. The session shall be for the primary purpose of judging the qualifications and elections of the members, taking the oath of office, organizing the two houses, and selecting officers. No matter intended to have the effect of law shall be introduced at an organizational session.

Amended by Acts 1989, No. 841, § 1, approved Oct. 7, 1989, eff. Nov. 7, 1989; Acts 1990, No. 1095, § 1, approved Oct. 6, 1990, eff. Jan. 1, 1992; Acts 1993, No. 1041, § 1, approved Oct. 16, 1993, eff. Nov. 18, 1993; Acts 2001, No. 1231, § 1, approved Nov. 5, 2002, eff. Jan. 1, 2004; Acts 2008, No. 937, § 1, approved Nov. 4, 2008; Acts 2009, No. 537, § 1, approved Oct. 2, 2010, eff. Jan. 1, 2012; Acts 2012, No. 872, § 1, approved Nov. 6, 2012.

Article V

Section 23 – Judges; Retirement

(A) Retirement System.

Within two years after the effective date of this constitution, the legislature shall provide for a retirement system for judges which shall apply to a judge taking office after the effective date of the law enacting the system and in which a judge in office at that time may elect to become a member, with credit for all prior years of judicial service and without contribution therefor. The retirement benefits and judicial service rights of a judge in office or retired on the effective date of this constitution shall not be diminished, nor shall the benefits to which a surviving spouse is entitled be reduced.

(B) Mandatory Retirement.

Except as otherwise provided in this Section, a judge shall not remain in office beyond his seventieth birthday. A judge who attains seventy years of age while serving a term of office shall be allowed to complete that term of office.

Amended by Acts 2003, No. 1296, §1, approved Oct. 4, 2003, eff. Jan. 1, 2004.

Article VII

Section 10 – Expenditure of State Funds

(A) Revenue Estimating Conference.

The Revenue Estimating Conference shall be composed of four members: the governor,

or his designee, the president of the senate, or his designee, the speaker of the house or his designee, and a faculty member of a university or college in Louisiana who has expertise in forecasting revenues. Changes to the membership beyond the four members shall be made by law enacted by a favorable vote of two-thirds of the elected members of each house.

(B) Official Forecast.

The conference shall prepare and publish initial and revised estimates of money to be received by the state general fund and dedicated funds for the current and next fiscal years which are available for appropriation. In each estimate, the conference shall designate the money in the estimate which is recurring and which is nonrecurring. All conference decisions to adopt these estimates shall be by unanimous vote of its members. Changes to the unanimous vote requirement shall be made by law enacted by a favorable vote of two-thirds of the elected members of each house. The most recently adopted estimate of money available for appropriation shall be the official forecast.

(C) Expenditure Limit.

- (1) The legislature shall provide for the determination of an expenditure limit for each fiscal year to be established during the first quarter of the calendar year for the next fiscal year. However, the expenditure limit for the 1991-1992 Fiscal Year shall be the actual appropriations from the state general fund and dedicated funds for that year except funds allocated by Article VII, Section 4, Paragraphs (D) and (E). For subsequent fiscal years, the limit shall not exceed the expenditure limit for the current fiscal year plus an amount equal to that limit times a positive growth factor. The growth factor is the average annual percentage rate of change of personal income for Louisiana as defined and reported by the United States Department of Commerce for the three calendar years prior to the fiscal year for which the limit is calculated.
- (2) The expenditure limit may be changed in any fiscal year by a favorable vote of two-thirds of the elected members of each house. Any such change in the expenditure limit shall be approved by passage of a specific legislative instrument which clearly states the intent to change the limit.
- (3) Beginning with the 1995-1996 Fiscal Year, the expenditure limit shall be determined in accordance with the provisions of Paragraph (J) of this Section. The redetermination of the expenditure limit for each fiscal year from the 1991-1992 Fiscal Year through the 1994-1995 Fiscal Year shall only be used in computing the expenditure limit for the 1995-1996 Fiscal Year and shall not affect the expenditure limit already computed in accordance with this Paragraph for such fiscal years.
- (4) The provisions of this Paragraph shall not apply to or affect funds allocated by Article VII, Section 4, Paragraphs (D) and (E).

(D) Appropriations.

- (1) Except as otherwise provided by this constitution, money shall be drawn from the state treasury only pursuant to an appropriation made in accordance with law. Appropriations from the state general fund and dedicated funds except funds allocated by Article VII, Section 4, Paragraphs (D) and (E) shall not exceed the expenditure limit for the fiscal year.

- (2) Except as otherwise provided in this constitution, the appropriation or allocation of any money designated in the official forecast as nonrecurring shall be made only for the following purposes:
 - (a) Retiring or for the defeasance of bonds in advance or in addition to the existing amortization requirements of the state.

 - (b)
 - (i) Providing for payments against the unfunded accrued liability of the public retirement systems which are in addition to any payments required for the annual amortization of the unfunded accrued liability of the public retirement systems, as required by Article X, Section 29(E)(2)(c) of this constitution; however, any such payments to the public retirement systems shall not be used, directly or indirectly, to fund cost-of-living increases for such systems.

 - (ii) For Fiscal Years 2013-2014 and 2014-2015 the legislature shall appropriate no less than five percent of any money designated in the official forecast as nonrecurring to the Louisiana State Employees' Retirement System and the Teachers' Retirement System of Louisiana for application to the balance of the unfunded accrued liability of such systems existing as of June 30, 1988, in proportion to the balance of such unfunded accrued liability of each such system. Any such payments to the public retirement systems shall not be used, directly or indirectly, to fund cost-of-living increases for such systems.

 - (iii) For Fiscal Year 2015-2016 and every fiscal year thereafter the legislature shall appropriate no less than ten percent of any money designated in the official forecast as nonrecurring to the Louisiana State Employees' Retirement System and the Teachers' Retirement System of Louisiana for application to the balance of the unfunded accrued liability of such systems existing as of June 30, 1988, in proportion to the balance of such unfunded accrued liability of each such system. Any such payments to the public retirement systems shall not be used, directly or indirectly, to fund cost-of-living increases for such systems.

– Louisiana Constitution of 1974 –
Section 10 – Expenditure of State Funds

- (c) Providing funding for capital outlay projects in the comprehensive state capital budget.
 - (d) Providing for allocation or appropriation for deposit into the Budget Stabilization Fund established in Article VII, Section 10.3 of this constitution.
 - (e) Providing for allocation or appropriation for deposit into the Coastal Protection and Restoration Fund established in Article VII, Section 10.2 of this constitution.
 - (f) Providing for new highway construction for which federal matching funds are available, without excluding highway projects otherwise eligible as capital projects under other provisions of this constitution.
- (3) (a) The legislature shall provide by law for the payment by the state of supplements to the salaries of full-time local law enforcement and fire protection officers of the state. No law shall reduce any payments by the state provided as a supplement to the salaries of full-time local law enforcement and fire protection officers of the state. Beginning with the fiscal year which begins July 1, 2003, the legislature shall appropriate funds sufficient to fully fund the cost of such state supplement to the salaries of full-time law enforcement and fire protection officers.
- (b) For the purposes of this Subparagraph, local law enforcement and fire protection officers shall mean and include the same classes of officers which are eligible for such state salary supplements under the law as of July 1, 2003.
- (c) Full funding as required in Subsubparagraph (a) of this Subparagraph shall be equal to the amount which is required to meet the requirements of law.
- (d) Neither the governor nor the legislature may reduce an appropriation made pursuant to this Subparagraph except that the governor may reduce such appropriation using means provided in the Act containing the appropriation, provided that two-thirds of the elected members of each house of the legislature consent to any such reduction in writing.

(E) **Balanced Budget.**

Appropriations by the legislature from the state general fund and dedicated funds for any fiscal year except funds allocated by Article VII, Section 4, Paragraphs (D) and (E) shall not exceed the official forecast in effect at the time the appropriations are made.

(F) Projected Deficit.

- (1) The legislature by law shall establish a procedure to determine if appropriations will exceed the official forecast and an adequate method for adjusting appropriations in order to eliminate a projected deficit. Any law establishing a procedure to determine if appropriations will exceed the official forecast and methods for adjusting appropriations, including any constitutionally protected or mandated allocations or appropriations, once enacted, shall not be changed except by specific legislative instrument which receives a favorable vote of two-thirds of the elected members of each house of the legislature. Notwithstanding the provisions of Article III, Section 2 of this constitution, such law may be introduced and considered in any regular session of the legislature.

- (2)
 - (a) Notwithstanding any other provision of this constitution to the contrary, adjustments to any constitutionally protected or mandated allocations or appropriations, and transfer of monies associated with such adjustments, are authorized when state general fund allocations or appropriations have been reduced in an aggregate amount equal to at least seven-tenths of one percent of the total of such allocations and appropriations for a fiscal year. Such adjustments may not exceed five percent of the total appropriation or allocation from a fund for the fiscal year. For purposes of this Subsubparagraph, reductions to expenditures required by Article VIII, Section 13(B) of this constitution shall not exceed one percent and such reductions shall not be applicable to instructional activities included within the meaning of instruction pursuant to the Minimum Foundation Program formula. Notwithstanding any other provisions of this constitution to the contrary, monies transferred as a result of such budget adjustments are deemed available for appropriation and expenditure in the year of the transfer from one fund to another, but in no event shall the aggregate amount of any transfers exceed the amount of the deficit.

 - (b) Notwithstanding any other provision of this constitution to the contrary, for the purposes of the budget estimate and enactment of the budget for the next fiscal year, when the official forecast of recurring revenues for the next fiscal year is at least one percent less than the official forecast for the current fiscal year, the following procedure may be employed to avoid a budget deficit in the next fiscal year. An amount not to exceed five percent of the total appropriations or allocations for the current fiscal year from any fund established by law or this constitution shall be available for expenditure in the next fiscal year for a purpose other than as specifically provided by law or this constitution. For the purposes of this Subsubparagraph, an amount not to exceed one percent of the current fiscal year appropriation for expenditures required by Article VIII, Section 13(B) of this constitution shall be available for expenditures for other

purposes in the next fiscal year. Notwithstanding any other provisions of this constitution to the contrary, monies made available as authorized under this Subsubparagraph may be transferred to a fund for which revenues have been forecast to be less than the revenues in the current fiscal year for such fund. Monies transferred as a result of the budget actions authorized by this Subsubparagraph are deemed available for appropriation and expenditure, but in no event shall the aggregate amount of any such transfers exceed the amount of the difference between the official forecast for the current fiscal year and the next fiscal year.

- (c) The legislature may provide by law for the implementation of the provisions of this Subparagraph.
- (3) If within thirty days of the determination that appropriations will exceed the official forecast the necessary adjustments in appropriations are not made to eliminate the projected deficit, the governor shall call a special session of the legislature for this purpose unless the legislature is in regular session. This special session shall commence as soon as possible as allowed by the provisions of this constitution, including but not limited to Article III, Section 2(B).
- (4) The provisions of Subparagraphs (1) and (2) of this Paragraph shall not be applicable to, nor affect:
 - (a) The Bond Security and Redemption Fund or any bonds secured thereby, or any other funds pledged as security for bonds or other evidences of indebtedness.
 - (b) The allocations provided for by Article VII, Section 4(D) and (E) of this constitution.
 - (c) The contributions made in accordance with Article X, Section 29(E) of this constitution.
 - (d) The Louisiana Education Quality Trust Fund as defined in Article VII, Section 10.1(A)(1) of this constitution.
 - (e) The Millennium Trust as provided in Article VII, Section 10.8 of this constitution, except for appropriations from the trust.
 - (f) Any monies not required to be deposited in the state treasury as provided in Article VII, Section 9 of this constitution.
 - (g) The Medicaid Trust Fund for the Elderly created under the provisions of R.S. 46:2691 et seq.

(G) Year End Deficit.

If a deficit exists in any fund at the end of a fiscal year, that deficit shall be eliminated no later than the end of the next fiscal year.

(H) Publication.

The legislature shall have published a regular statement of receipts and expenditures of all state money at intervals of not more than one year.

(I) Public Purpose

No appropriation shall be made except for a public purpose.

(J) Definition of Funds.

For the purposes of this Article, the state general fund and dedicated funds shall be all money required to be deposited in the state treasury, except that money the origin of which is:

- (1) The federal government.
- (2) Self-generated collections by any entity subject to the policy and management authority established by Article VIII, Sections 5 through 7.
- (3) A transfer from another state agency, board, or commission.
- (4) The provisions of this Paragraph shall not apply to or affect funds allocated by Article VII, Section 4, Paragraphs (D) and (E).

Amended by Acts 1990, No. 1096, § 1, approved Oct. 6, 1990, eff. Nov. 8, 1990; Acts 1993, No. 1042, § 1 approved Oct. 16, 1993, eff. Nov. 18, 1993; Acts 1993, No. 1045, § 1 approved Oct. 16, 1993, eff. Nov. 18, 1993; Acts 1997, No. 1501, § 1, approved Oct. 3, 1998, eff. Nov. 5, 1998; Acts 2001, No. 1234, § 1, approved Nov. 5, 2002, eff. Dec. 11, 2002; Acts 2001, No. 1236, § 1, approved Nov. 5, 2002, eff. Dec. 11, 2002; Acts 2003, No. 1302, § 1, approved Oct. 4, 2003, eff. Nov. 6, 2003; Acts 2005, 1st Ex.Sess., No. 69, § 1, approved Sept. 30, 2006; Acts 2007, No. 483, § 1, approved Oct. 20, 2007; Acts 2011, No. 422, § 1, approved Oct. 22, 2011; Acts 2012, No. 873, § 1, approved Nov. 6, 2012.

Article X

Section 29 – Retirement and Survivor’s Benefits

(A) Public School Employees.

The legislature shall provide for retirement of teachers and other employees of the public educational system through establishment of one or more retirement systems. Membership in such a retirement system shall be a contractual relationship between employee and employer, and the state shall guarantee benefits payable to a member or retiree or to his lawful beneficiary upon his death.

(B) Other Officials and Employees.

The legislature shall enact laws providing for retirement of officials and employees of the state, its agencies, and its political subdivisions, including persons employed jointly by state and federal agencies other than those in military service, through the establishment of one or more retirement systems. Membership in any retirement system of the state or of a political subdivision thereof shall be a contractual relationship between employee and employer, and the state shall guarantee benefits payable to a member of a state retirement system or retiree or to his lawful beneficiary upon his death.

(C) Retirement Systems; Change; Notice.

No proposal to effect any change in existing laws or constitutional provisions relating to any retirement system for public employees shall be introduced in the legislature unless notice of intention to introduce the proposal has been published, without cost to the state, in the official state journal on two separate days. The last day of publication shall be at least sixty days before introduction of the bill. The notice shall state the substance of the contemplated law or proposal, and the bill shall contain a recital that the notice has been given.

(D) Compensation for Survivors of Law Enforcement Officers and Firemen.

The legislature shall establish a system, including the expenditure of public funds, for compensating the surviving spouses and dependent children of law enforcement officers, firemen, and personnel, as defined by law, who die, or who died after June 30, 1972, as a result of injury sustained in the performance of official duties or in the protection of life or property while on or off duty.

(E) Actuarial Soundness.

- (1) The actuarial soundness of state and statewide retirement systems shall be attained and maintained and the legislature shall establish, by law, for each state or statewide retirement system, the particular method of actuarial valuation to be employed for purposes of this Section.
- (2) For public retirement systems whose benefits are guaranteed by this constitution as is specified in Paragraphs (A) and (B) of this Section:
 - (a) The legislature shall, by law, determine and set all required contributions to be made by members. However, until the unfunded accrued liability referenced in (c) below is eliminated, this determination and setting shall not cause the ratio of employee contributions to total contributions, on the basis of each particular plan or classification within each particular retirement system, to exceed such ratio as it existed on January 1, 1987. Upon elimination of the unfunded accrued liability referenced in (c) below, this determination and setting shall not cause a member’s contribution to exceed an amount contributed on his behalf as an employer contribution.

- (b) The legislature shall, in each fiscal year, by law, provide an amount necessary to fund the employer portion of the normal cost, which shall be determined in accordance with the method of valuation established under (1) above.
 - (c) The legislature shall, in each fiscal year, by law, provide for the amortization of the unfunded accrued liability existing as of June 30, 1988, which shall be determined in accordance with the method of valuation selected in (1) above, by the year 2029, commencing with Fiscal Year 1989-1990.
 - (d) Amounts provided for under (b) and (c) above are hereby guaranteed payable, each fiscal year, to each retirement system covered herein. If, for any fiscal year, the legislature fails to provide these guaranteed payments, upon warrant of the governing authority of the retirement system, following the close of said fiscal year, the state treasurer shall pay the amount guaranteed directly from the state general fund.
- (3) For statewide public retirement systems not covered by Paragraphs (A) and (B) of this Section, the legislature shall determine all required contributions to be made by members, contributions to be made by employers, and dedicated taxes required for the sound actuarial maintenance of the systems, including the elimination of the unfunded accrued liability as of the end of the 1988-1989 Fiscal Year, under the method of valuation selected under (1) above, by the year 2029, commencing with Fiscal Year 1989-1990.
- (4) For all state and statewide public retirement systems, neither the state nor the governing authority of such system shall take any action that shall cause the actuarial present value of expected future expenditures of the retirement system to exceed or further exceed the sum of the current actuarial value of assets and the actuarial present value of expected future receipts of the retirement system, except with respect to the following:
- (a) Normal business operating expenses of the retirement system.
 - (b) Capital outlay expenditures of the retirement system.
 - (c) Management of investments of the retirement system.
 - (d) Cost-of-living increases to retirees, as provided by law, provided the retirement system is approaching actuarial soundness as provided by law, and the granting of such increase does not cause an increase in the actuarially required contribution rate.
- (5) All assets, proceeds, or income of the state and statewide public retirement systems, and all contributions and payments made to the system to provide for retirement and related benefits shall be held, invested as authorized by law, or disbursed as in trust for the exclusive purpose of providing such

benefits, refunds, and administrative expenses under the management of the boards of trustees and shall not be encumbered for or diverted to any other purpose. The accrued benefits of members of any state or statewide public retirement system shall not be diminished or impaired.

(F) Benefit Provisions; Legislative Enactment.

Benefit provisions for members of any public retirement system, plan, or fund that is subject to legislative authority shall be altered only by legislative enactment. No such benefit provisions having an actuarial cost shall be enacted unless approved by two-thirds of the elected members of each house of the legislature. Furthermore, no such benefit provision for any member of a state retirement system having an actuarial cost shall be approved by the legislature unless a funding source providing new or additional funds sufficient to pay all such actuarial cost within ten years of the effective date of the benefit provision is identified in such enactment. This Paragraph shall be implemented as provided by law.

(G) Forfeiture of Retirement Benefits; Felony Convictions.

The receipt of a public retirement benefit shall be expressly conditioned upon the rendition of honorable service by the public official or employee. Notwithstanding any provision of this constitution or of any home rule charter to the contrary, the legislature may provide for the forfeiture of all or part of the benefits from a public retirement system, plan, or fund in this state by any person who holds or held any public office or employment and who is convicted of a felony associated with and committed during his service in such public office or employment. The legislature may provide for the application of all or part of any forfeited benefits to the unfunded accrued liability of the system, plan, or fund. The provisions of this Paragraph shall be applied only to persons employed, re-employed, or elected on or after January 1, 2013. The provisions of this Paragraph shall be applied only to benefits earned on or after January 1, 2013.

Amended by Acts 1987, No. 947, §1, approved Nov. 21, 1987, eff. December 24, 1987; Acts 2007, No. 484, §1, approved October 20, 2007, eff. November 19, 2007; Acts 2010, No. 1048, §1, approved November 2, 2010, eff. December 1, 2010; Acts 2012, No. 868, §1, approved November 6, 2012, eff. December 10, 2012; Acts 2012, No. 872, §2, approved November 6, 2012, eff. December 10, 2012.

Section 29.1 – Part-time Public Officials

(A) Except as provided in Paragraph (B), the following elected or appointed officials are hereby deemed to be part-time public servants who, based on such part-time service, shall not participate in, or receive credit for service in, any public retirement system, fund, or plan sponsored by the state of Louisiana or any instrumentality or political subdivision thereof:

- (1) Any legislator or any member of a school board, levee board, police jury, or parish council.

– Louisiana Constitution of 1974 –
Section 29.1 – Part-time Public Officials

- (2) Any member of a city council, city-parish council, or town council or any alderman or any constable.
 - (3) Any member of a board or commission established by the state of Louisiana or any instrumentality or political subdivision thereof unless authorized by law enacted by two-thirds of the elected members of each house.
 - (4) Any person holding or serving in any other elected or appointed position or office defined to be part-time public service by law enacted by two-thirds of the elected members of each house.
- (B) The provisions of Paragraph (A) shall not apply to any person who is serving on January 1, 1997, in any elected or appointed position set forth in Paragraph (A) and who is also a member on January 1, 1997 of a retirement system covering that position.
- (C) The provisions of this Section shall not apply to participation in the Louisiana Public Employees Deferred Compensation Plan, or its successor.
- (D) This Section shall become effective on January 1, 1997.

Added by Acts 1996, 1st Ex.Sess., No. 99, §1, approved Nov. 5, 1996, eff. Jan. 1, 1997.

LOUISIANA REVISED STATUTES

Title 11: CONSOLIDATED PUBLIC RETIREMENT SYSTEMS

Subtitle I. General and Preliminary Provisions

Chapter 1. Preliminary Provisions

§1. Short title

This Title shall be known as the “Louisiana Public Retirement Law”.

Added by Acts 1988, No. 81, §2, eff. July 1, 1989.

§2. Purpose of Title

The purpose of this Title is to consolidate public retirement law in order to effectively comply with the mandate of Article X, Section 29(E) of the Constitution of Louisiana to maintain public retirement systems on a sound actuarial basis.

Added by Acts 1988, No. 81, §2, eff. July 1, 1989.

§3. Conflicts; provisions of Title to control

Except as is specifically otherwise provided, the provisions of this Title do not repeal comparable provisions contained within separate laws governing state and statewide public retirement systems. However, the provisions of this Title shall be controlling in case of conflict with the separate laws. The separate laws shall continue to be operable to the extent they are not in conflict with the provisions of this Title.

Added by Acts 1988, No. 81, §2, eff. July 1, 1989.

§4. Classifications of public retirement systems; state systems; statewide systems

As used in this Title, unless the context clearly indicates otherwise, the following terms shall have the meanings ascribed to them:

- A. (1) The term “state retirement system”, “state system”, or “state pension or retirement system, plan, or fund” shall mean one of the following:
 - (a) Louisiana State Employees’ Retirement System.
 - (b) Teachers’ Retirement System of Louisiana.
 - (c) Louisiana School Employees’ Retirement System.
 - (d) Louisiana State Police Retirement System.

§4. Classifications of public retirement systems; state systems; statewide systems

- (2) The term “state retirement systems”, “state systems”, or “state pension or retirement systems, plans, or funds” shall mean the four state systems listed in Paragraph (1) of this Subsection and no other system or systems.
- B. (1) The term “statewide retirement system”, “statewide system”, or “statewide pension or retirement system, plan, or fund” shall mean one of the following:
- (a) Assessors’ Retirement Fund.
 - (b) Clerks’ of Court Retirement and Relief Fund.
 - (c) District Attorneys’ Retirement System.
 - (d) Firefighters’ Retirement System.
 - (e) Municipal Employees’ Retirement System of Louisiana.
 - (f) Municipal Police Employees’ Retirement System of Louisiana.
 - (g) Parochial Employees’ Retirement System of Louisiana.
 - (h) Registrars of Voters Employees’ Retirement System.
 - (i) Sheriffs’ Pension and Relief Fund.
- (2) The term “statewide retirement systems”, “statewide systems”, or “statewide pension or retirement systems, plans, or funds” shall mean the nine statewide systems listed in Paragraph (1) of this Subsection and no other system or systems.
- C. Any public pension or retirement system, plan, or fund not listed in Subsection A or B of this Section shall not be considered a state or statewide retirement system.

Added by Acts 2010, No. 992, §1, eff. January 1, 2011; amended by Acts 2012, No. 227, §1, eff. August 1, 2012.

Chapter 2. Required Contributions

Part I. General

§11. Purpose of Chapter

The purpose of this Chapter is to serve as a depository for legislation involved in a continuing process of consolidation of law relative to required contributions to public retirement systems to achieve and maintain those systems on a sound actuarial basis.

Added by Acts 1988, No. 81, §2, eff. July 1, 1989.

Part II. Contribution Provisions

Subpart A. Actuarial Valuation Methods

§21. Purpose of Subpart

The purpose of this Subpart is to comply with the requirements of Article X, Section 29(E)(1) of the Constitution of Louisiana that the legislature establish for each state or statewide public retirement system, a particular method of actuarial valuation to be employed.

Added by Acts 1988, No. 81, §2, eff. July 1, 1989.

§22. Methods of actuarial valuation established

A. The provisions of this Section govern the funding methods utilized by state and statewide public retirement systems to determine actuarially required contributions.

B. The following funding methods shall be utilized to determine actuarially required contributions:

- (1) Assessors' Retirement Fund: frozen attained age normal.
- (2) Clerks' of Court Retirement and Relief Fund: frozen attained age normal.
- (3) District Attorneys' Retirement System: aggregate.
- (4) Firefighters' Retirement System: entry age normal.
- (5) Louisiana School Employees' Retirement System: entry age normal.
- (6) Louisiana State Employees' Retirement System: entry age normal.
- (7) Municipal Police Employees' Retirement System: entry age normal.
- (8) Municipal Employees' Retirement System of Louisiana:

§23. Funded percentage; state systems

- (a) Plan A: frozen attained age normal.
 - (b) Plan B: frozen attained age normal.
- (9) Parochial Employees' Retirement System of Louisiana:
- (a) Plan A: frozen attained age normal.
 - (b) Plan B: aggregate.
 - (c) Plan C: entry age normal.
- (10) Registrars of Voters Employees' Retirement System: aggregate.
- (11) Sheriffs' Pension and Relief Fund: frozen attained age normal.
- (12) Louisiana State Police Retirement System: entry age normal.
- (13) Teachers' Retirement System of Louisiana: entry age normal.
- C. For any of the systems set forth in Subsection B of this Section which have established excess benefit plans, the present value of benefits shall for funding purposes include the present value of any credits granted to employers for contributions to such excess benefit plans.
- D. For any system set forth in Subsection B of this Section that is funded utilizing the frozen attained age normal method, the actuarial valuation method of the system shall be converted to the aggregate funding method in the system's first valuation in which the frozen unfunded actuarial accrued liability is fully amortized.

Added by Acts 1988, No. 81, § 2, eff. July 1, 1989. Amended by Acts 1988, 2nd Ex.Sess., No. 6, § 2, eff. Oct. 31, 1988; Acts 1989, No. 501, § 1, eff. July 1, 1989; Acts 1992, No. 165, § 1, eff. July 1, 1992; Acts 1997, No. 867, § 1, eff. July 1, 1997; Acts 1999, No. 34, § 1; Acts 2012, No. 225, § 1, eff. June 30, 2012; Acts 2012, No. 227, § 1, eff. August 1, 2012; Acts 2013, No. 220 §3, eff. June 11, 2013; Acts 2014, No. 571 § 1, eff. June 30, 2014.

§23. Funded percentage; state systems

Except as otherwise provided in this Title, "funded percentage" for each state public retirement system shall mean the valuation assets used to determine the actuarially required contributions pursuant to R.S. 11:102 divided by the accrued liability of the system determined by utilizing the funding method established in R.S. 11:22.

Added by Acts 2016, No. 95, §1, eff. June 30, 2016.

§42. Unfunded accrued liabilities; amortization

Subpart B. Amortization of Unfunded Accrued Liabilities

§41. Purpose of Subpart

The purpose of this Subpart is to initiate compliance with the requirements of Article X, Section 29(E)(2)(c) and (3) of the Constitution of Louisiana that the legislature provide with respect to the amortization of the unfunded accrued liabilities of state and statewide public retirement systems.

Added by Acts 1988, No. 81, §2, eff. July 1, 1989.

§42. Unfunded accrued liabilities; amortization

- A. The provisions of this Section govern the amortization of unfunded accrued liabilities of the state and statewide public retirement systems referenced in Subsection B hereof, as provided by said Subsection B.
- B. The provisions of this Subsection shall be implemented and accomplished by the governing authorities of the state and statewide public retirement systems as follows:
- (1) Assessors' Retirement Fund. The unfunded accrued liability, as of September 30, 1989, determined under the funding method specified in R.S. 11:22(B) (1), shall be amortized over a forty-year period, commencing with fiscal year 1989-1990, with payments forming an annuity increasing at three and one-half percent annually.
 - (2) Clerks' of Court Retirement and Relief Fund. The unfunded accrued liability, as of June 30, 1989, determined under the funding method specified in R.S. 11:22(B)(2), shall be amortized over a forty-year period, commencing with Fiscal Year 1989-1990, with payments forming an annuity increasing at four and three-quarters percent annually. However, effective for the June 30, 2016, valuation and beginning July 1, 2016, the outstanding balance of this unfunded accrued liability shall be amortized over the remaining thirteen-year period, commencing with Fiscal Year 2016-2017, with annual level-dollar payments.
 - (3) Firefighters' Retirement System. The unfunded accrued liability, as of June 30, 1989, determined under the funding method specified in R.S. 11:22(B) (4), shall be amortized over a thirty-year period, commencing with fiscal year 1989-1990, with level dollar payments annually.
 - (4) Louisiana School Employees' Retirement System. The unfunded accrued liability or surplus, as of June 30, 1988, determined under the funding method specified in R.S. 11:22(B)(5), shall be amortized over a forty-year period, commencing with Fiscal Year 1989-1990, with level dollar payments annually.

§42. Unfunded accrued liabilities; amortization

- (5) (a) Louisiana State Employees' Retirement System. The unfunded accrued liability, as of June 30, 1988, determined under the funding method specified in R.S. 11:22(B)(6), shall be amortized over a forty-year period, commencing with Fiscal Year 1989-1990. The outstanding balance of the unfunded accrued liability as of July 1, 1992, shall be amortized over the remaining thirty-seven-year period with payments forming an annuity increasing at four and one-half percent annually.
- (b) Effective for the June 30, 2009 valuation and beginning July 1, 2010, the outstanding balance of this unfunded accrued liability shall be consolidated with other amortization bases and credits as provided in R.S. 11:102.1, and that consolidated total shall be amortized over the remaining constitutionally-mandated period with annual payments beginning in Fiscal Year 2010-2011. The final payment shall be made in Fiscal Year 2028-2029.
- (6) Municipal Police Employees' Retirement System. The unfunded accrued liability or surplus, as of June 30, 1989, determined under the funding method specified in R.S. 11:22(B)(7), shall be amortized over a forty-year period, commencing with fiscal year 1989-1990, with level dollar payments annually.
- (7) Municipal Employees' Retirement System of Louisiana.
 - (a) Plan A. The unfunded accrued liability, as of June 30, 1989, determined under the funding method specified in R.S. 11:22(B)(8)(a), shall be amortized over a forty-year period, commencing with fiscal year 1989-1990, with payments forming an annuity increasing at four and one-quarter percent annually.
 - (b) Plan B. The unfunded accrued liability, as of June 30, 1989, determined under the funding method specified in R.S. 11:22(B)(8)(b), shall be amortized over a forty-year period, commencing with fiscal year 1989-1990, with payments forming an annuity decreasing at two percent annually.
- (8) Parochial Employees' Retirement System of Louisiana.
 - (a) Plan A. The unfunded accrued liability, as of December 31, 1989, determined under the funding method specified in R.S. 11:22(B)(9)(a), shall be amortized over a forty-year period, commencing with fiscal year 1989-1990, with payments forming an annuity increasing at four percent annually.
 - (b) Plan C. The unfunded accrued liability as of December 31, 1998, shall be amortized over a fifteen-year period with level dollar payments annually.

- (9) Sheriffs' Pension and Relief Fund. The unfunded accrued liability, as of June 30, 1989, determined under the funding method specified in R.S. 11:22(B) (11), shall be amortized over a forty-year period, commencing with fiscal year 1989-1990, with payments forming an annuity increasing at three and one-half percent annually.
- (10) Louisiana State Police Retirement System. The unfunded accrued liability, as of June 30, 1988, determined under the funding method specified in R.S. 11:22(B)(12), shall be amortized over a twenty year period, commencing with the fiscal year 1989-1990, with level dollar payments annually.
- (11) (a) Teachers' Retirement System of Louisiana. The unfunded accrued liability, as of June 30, 1988, determined under the funding method specified in R.S. 11:22(B)(13), shall be amortized over a forty-year period, commencing with the Fiscal Year 1989-1990. The outstanding balance of the unfunded accrued liability as of July 1, 1992, shall be amortized over the remaining thirty-seven-year period with payments forming an annuity increasing at four and one-half percent annually.

(b) Effective for the June 30, 2009 valuation and beginning July 1, 2010, the outstanding balance of this unfunded accrued liability shall be consolidated with other amortization bases and credits as provided in R.S. 11:102.2, and that consolidated total shall be amortized over the remaining constitutionally-mandated period with annual payments beginning in Fiscal Year 2010-2011. The final payment shall be made in Fiscal Year 2028-2029.

Added by Acts 1988, No. 81, §2, eff. July 1, 1989. Amended by Acts 1988, 2nd Ex.Sess., No. 6, §2, eff. Oct. 31, 1988; Acts 1989, No. 499, §1, eff. July 1, 1989; Acts 1989, No. 502, §1, eff. July 1, 1989; Acts 1992, No. 257, §1, eff. July 1, 1992; Acts 1997, No. 867, §1, eff. July 1, 1997; Acts 2009, No. 497, §1, eff. June 30, 2009; Acts 2010, No. 861, §4, eff. August 15, 2010; Acts 2012, No. 227, §1, eff. August 1, 2012; Acts 2016, No. 650, §1, eff. June 17, 2016.

NOTE: See Acts 2009, No. 497, §2, eff. June 30, 2009, relative to conflicts with previous Acts and §4 relative to affect on contribution rates.

Subpart C. Employee Contributions

§61. Purpose of Subpart

The purpose of this Subpart is to comply with the requirements of Article X, Section 29(E)(2)(a) and (3) of the Constitution of Louisiana that the legislature determine and set all required contributions to be made by members of state and statewide public retirement systems.

Added by Acts 1988, No. 81, §2, eff. July 1, 1989.

§62. Employee contribution rates established

§62. Employee contribution rates established

Employee contributions to state and statewide public retirement systems shall be paid at the following rates, except as otherwise provided by law:

- (1) Assessors' Retirement Fund-8%
- (2) Clerks' of Court Retirement and Relief Fund--8.25%.
- (3) Firefighters' Retirement System:
 - (a) Any member whose earnable compensation is less than or equal to the most recently issued poverty guidelines issued by the United States Department of Health and Human Services according to the size of the member's family unit--8%.
 - (b) For employee contributions due and payable July 1, 2011, or thereafter, any member whose earnable compensation is more than the most recently issued poverty guidelines issued by the United States Department of Health and Human Services according to the size of the member's family unit:

If the total contribution for the fiscal year expressed as a percentage of payroll after applying all required tax contributions is:	The employee contribution shall be:
25.0% or below	8.0%
25.01% to 25.75%	8.25%
25.76% to 26.5%	8.5%
26.51% to 27.25%	8.75%
27.26% to 28.0%	9.0%
28.01% to 28.75%	9.25%
28.76% to 29.5%	9.5%
29.51% to 30.25%	9.75%
30.26% or above	10.0%

- (4) Louisiana School Employees' Retirement System:
 - (a) Employees whose first employment making them eligible for membership in one of the state systems occurred on or before June 30, 2010--7.5%.

§62. Employee contribution rates established

- (b) Employees whose first employment making them eligible for membership in one of the state systems occurred on or after July 1, 2010--8%.
- (5) Louisiana State Employees' Retirement System:
 - (a) Judges, court officers, the governor, lieutenant governor and legislators:
 - (i) Employees whose first employment making them eligible for membership in one of the state systems occurred on or before December 31, 2010 - 11.5%.
 - (ii) Employees, other than judges in Item (iii) of this Subparagraph, whose first employment making them eligible for membership in one of the state systems occurred on or after January 1, 2011 - 8%.
 - (iii) Judges holding positions specified in R.S. 11:553(1), (3) through (5), (7), and (10) through (15) whose first employment making them eligible for membership in one of the state systems occurred on or after January 1, 2011 – 13%.
 - (b) Public safety service employees referred to as “member” or “members” in R.S. 11:601(B); peace officers employed by the Department of Public Safety and Corrections, office of state police, other than state troopers, as provided in R.S. 11:444(A)(2)(b); and personnel employed by the Department of Revenue, office of alcohol and tobacco control, as provided in R.S. 11:444(A)(2)(c)--9%.
 - (c) Clerk and sergeant at arms of the House of Representatives and Secretary and sergeant at arms of the Senate:
 - (i) Employees whose first employment making them eligible for membership in one of the state systems occurred on or before December 31, 2010 - 9.5%.
 - (ii) Employees whose first employment making them eligible for membership in one of the state systems occurred on or after January 1, 2011 - 8%.
 - (d) Wildlife Agents--9.5%.
 - (e) All others: --
 - (i) Employed on or before June 30, 2006--7.5%
 - (ii) Employed on or after July 1, 2006--8%
 - (f) Bridge Police--8.5% for those employees eligible for the benefit provided by R.S. 11:441(F).

§62. Employee contribution rates established

(g) "Members" of the Hazardous Duty Services Plan, as defined in R.S. 11:612 – 9.5%.

(h) Repealed by Acts 2010, No. 1004, §2, eff. July 1, 2010.

(6) Municipal Police Employees' Retirement System:

(a) For members hired prior to January 1, 2013, and for members of the Hazardous Duty Subplan:

(i) Any member whose earnable compensation is less than or equal to the most recently issued poverty guidelines issued by the United States Department of Health and Human Services according to the size of the member's family unit-7.5%.

(ii) For employee contributions due and payable July 1, 2011, or thereafter, any member whose earnable compensation is more than the most recently issued poverty guidelines issued by the United States Department of Health and Human Services according to the size of the member's family unit:

If the total contribution for the fiscal year expressed as a percentage of payroll after applying all required tax contributions is:	The employee contribution shall be:
25.0% or below	7.5%
25.01% to 25.75%	7.75%
25.76% to 26.5%	8.0%
26.51% to 27.25%	8.25%
27.26% to 28.0%	8.5%
28.01% to 28.75%	8.75%
28.76% to 29.5%	9.25%
29.51% to 30.25%	9.5%
30.26% to 31.0%	9.75%
31.0% or above	10.0%

§62. Employee contribution rates established

- (b) For members of the Non-Hazardous Duty Subplan--8%, or equal to the rate established in Item (a)(ii) of this Paragraph if less than 8%.
- (7) Municipal Employees' Retirement System of Louisiana:
 - (a) Plan A - Not less than 9.25% nor more than 10% as determined by the board of trustees.
 - (b) Plan B - Not less than 5% nor more than 6% as determined by the board of trustees.
- (8) Parochial Employees' Retirement System of Louisiana:
 - (a) Plan A – Not less than 8% nor more than 11%, as determined by the board of trustees in consultation with the actuary for the system.
 - (b) Plan B – Not less than 3% nor more than 5%, as determined by the board of trustees in consultation with the actuary for the system.
 - (c) Plan C--5%.
- (9) Sheriffs' Pension and Relief Fund--Not less than 9.8%, nor more than 10.25%, as determined by the board of trustees in consultation with the actuary for the fund.
- (10) Louisiana State Police Retirement System:
 - (a) Employees whose first employment making them eligible for membership in one of the state systems occurred on or before December 31, 2010 – 8.5%.
 - (b) Employees whose first employment making them eligible for membership in one of the state systems occurred on or after January 1, 2011 - 9.5%.
- (11) Teachers' Retirement System of Louisiana:
 - (a) School lunch Plan A--9.1%.
 - (b) School lunch Plan B--5%.
 - (c) All others--8%.
- (12) District Attorneys' Retirement System--8%.
- (13) Registrars of Voters Employees' Retirement System-not less than 7% nor more than 9% as determined by the board in consultation with the actuary for the system.

– Revised Statutes –
§81. Purpose of Subpart

Acts 1988, No. 81, §2, eff. July 1, 1989; Acts 1988, 2nd Ex. Sess., No. 6, §2, eff. Oct. 31, 1988; Acts 1989, No. 145, §2, eff. July 1, 1989; Acts 1990, No. 340, §1, eff. Sept. 1, 1990; Acts 1991, No. 345, §1, eff. Jan. 1, 1992; Acts 1991, No. 397, §1, eff. July 1, 1991; Acts 1992, No. 248, §1, eff. July 1, 1992; Acts 1992, No. 253, §1, eff. July 1, 1992; Acts 1995, No. 1117, §1, eff. June 30, 1995; Acts 1997, No. 867, §1, eff. July 1, 1997; Acts 1997, No. 1277, §1, eff. July 1, 1997; Acts 1999, No. 496, §1, eff. June 30, 1999; Acts 1999, No. 1320, §1, eff. July 12, 1999; Acts 2001, No. 695, §1, eff. Jan. 1, 2002; Acts 2001, No. 703, §1, eff. July 1, 2001; Acts 2001, No. 746, §1, eff. Dec. 31, 2001; Acts 2001, No. 897, §1, eff. July 1, 2001; Acts 2001, No. 911, §1, eff. July 1, 2001; Acts 2003, No. 703, §1, eff. July 1, 2003; Acts 2004, No. 782, §1, eff. July 1, 2004; Acts 2005, No. 75, §1, eff. July 1, 2005; Acts 2006, No. 835, §1, eff. July 1, 2006; Acts 2007, No. 353, §1, eff. June 30, 2007; Acts 2009, No. 480, §1, eff. Oct. 1, 2009; Acts 2010, No. 94, §1, eff. July 1, 2010; Acts 2010, No. 318, §1, eff. July 1, 2010; Acts 2010, No. 992, §1, eff. Jan. 1, 2011; Acts 2010, No. 996, §1, eff. Jan. 1, 2011; Acts 2010, No. 1004, §§1, 2, eff. July 1, 2010; Acts 2011, No. 238, §1, eff. June 30, 2011; Acts 2011, No. 368, §1, eff. July 1, 2011; Acts 2012, No. 227, §1, eff. June 30, 2012; Acts 2012, No. 515, §1, eff. January 1, 2013. Acts 2012, No. 522, §1, eff. July 1, 2012; Acts 2012, No. 717, §1, eff. July 1, 2012; Acts 2013, No. 71, §1, eff. June 30, 2013.

NOTE: See Acts 2001, No. 703, §§5 & 6, relative to effectiveness and applicability of Act.

NOTE: See Acts 2004, No. 782, §2, relative to the Sheriffs' Pension and Relief Fund increasing the employee contribution rate to cover one-half of costs of additional benefits provided by Acts 2004, Nos. 854, 855, and 866.

NOTE: See Acts 2004, No. 7, §6, providing that the Act shall not affect or change any law relative to retirement or retirement or survivor benefits of employees of the Dept. of Public Safety and Corrections.

[Editor's Note: The provisions of Act 483 of the 2012 Regular Legislative Session were enacted in violation of Article X, § 29(F) of the Louisiana Constitution. Those provisions have been intentionally omitted for clarity.]

Subpart D. Tax Contributions

§81. Purpose of Subpart

The purpose of this Subpart is to comply with the requirements of Article X, Section 29(E)(3) of the Constitution of Louisiana that the legislature shall determine dedicated taxes for statewide public retirement systems not covered by the provisions of Article X, Section 29(A) or (B) of the Constitution of Louisiana.

Added by Acts 1988, No. 81, §2, eff. July 1, 1989.

§82. Ad valorem tax contributions established

A. Ad valorem tax contributions to state and statewide public retirement systems shall be as follows:

- (1) Assessors' Retirement Fund. Dedicated funds are .25% (1% for Orleans Parish) of aggregate taxes shown to be collectible by the tax rolls of each parish.

§82. Ad valorem tax contributions established

- (2) Clerks' of Court Retirement and Relief Fund. Dedicated funds are .25% (.5% for Orleans Parish) of aggregate taxes shown to be collectible by the rolls of each parish.
- (3) Municipal Employees' Retirement System of Louisiana. Dedicated funds are .25% of aggregate taxes shown to be collectible by the tax rolls of each parish except Orleans; funds collected from the parish of East Baton Rouge are to be distributed pursuant to R.S. 33:7392. These amounts are split between Plan A and Plan B based on active member payroll.
- (4) Parochial Employees' Retirement System of Louisiana. Dedicated funds are .25% of aggregate taxes shown to be collectible by the tax rolls of each parish except Orleans and East Baton Rouge. These amounts are split between Plan A and Plan B based on active member payroll.
- (5) Sheriffs' Pension and Relief Fund. Dedicated funds are .5% of aggregate taxes shown to be collectible by the tax rolls of each parish.
- (6) District Attorneys' Retirement System. Dedicated funds are .2% of aggregate taxes shown to be collectible by the tax rolls of each parish.
- (7) Registrars' of Voters Employees' Retirement System. Dedicated funds are .0625% of aggregate taxes shown to be collectible by the tax rolls of each parish.
- (8)
 - (a) Teachers' Retirement System of Louisiana. Dedicated funds are one percent of aggregate taxes shown to be collectible by the tax rolls of each parish except Orleans.
 - (b) Effective with the 2004 tax roll payment, the Teachers' Retirement System of Louisiana shall credit each city, parish, or other local public school system located completely within East Baton Rouge Parish with an amount equal to one percent of the aggregate taxes shown to be collectible by the tax rolls for any millage levied by that school system plus an amount equal to the percentage of the total aggregate taxes collected by that school system of all aggregate taxes collected by all school systems within the parish of one percent of the aggregate taxes shown to be collectible by the tax rolls for any millage levied by an entity other than a school board remitted to the system from East Baton Rouge Parish.
 - (c) Within thirty days after the effective date of Subparagraph (b) of this Paragraph, the East Baton Rouge Parish School Board, the Baker City School Board, and the Zachary Community School Board shall file with the Teachers' Retirement System of Louisiana and the assessor for East Baton Rouge Parish a formula to be used to calculate the amount to be credited to each school board.

- B. Provided, however, in the event the employer contributions become zero and employee contributions and dedicated taxes prescribed in this Section provide more than the total actuarially required contribution to any system, then the Public Retirement Systems' Actuarial Committee shall determine the amount of the aggregate taxes shown on the tax rolls of each parish that shall be remitted to such retirement system.

Added by Acts 1988, No. 81, §2, eff. July 1, 1989. Amended by Acts 1989, No. 145, §1, eff. July 1, 1989; Acts 1990, No. 623, §1, eff. July 1, 1990; Acts 2005, No. 244, §1, eff. June 29, 2005.

Subpart E. Employer Contributions

§101. Purpose of Subpart

The purpose of this Subpart is to provide mechanisms to implement compliance with the requirements of Article X, Section 29(E)(2)(b) and (c) and (3) of the Constitution of Louisiana that the legislature provide with respect to employer funding of state and statewide public retirement systems.

Added by Acts 1988, No. 81, §2, eff. July 1, 1989.

§102. Employer contributions; determination; state systems

- A. The provisions of this Section are applicable with respect to the state public retirement systems, whose benefits are guaranteed by Article X, Section 29(A) and (B) of the Louisiana Constitution.
- B. (1) Except as provided in R.S. 11:102.1, 102.2, 102.3, 102.4 and 102.5 and in Paragraph (5) of this Subsection, for each fiscal year, commencing with Fiscal Year 1989-1990, for each of the public retirement systems referenced in Subsection A of this Section, the legislature shall set the required employer contribution rate for each system or plan equal to the actuarially required employer contribution, as determined pursuant to the provisions of this Section, divided by the total projected payroll of all active members of each particular system or plan for the fiscal year. Each entity funding a portion of a member's salary shall also fund the employer's contribution on that portion of the member's salary at the employer contribution rate specified in this Section.
- (2) (a) At the end of each fiscal year, the difference between the actuarially required employer contribution for the fiscal year, as determined pursuant to the provisions of this Section, and the amount of employer contributions actually received for the fiscal year, excluding any amounts received for the extraordinary purchase of additional benefits or service, shall be determined.

§102. Employer contributions; determination; state systems

- (b) If the amount of employer contributions received for the fiscal year is less than the actuarially required employer contribution for the fiscal year, due to the failure of the legislature to appropriate funds at the required employer contribution rate, the difference shall be paid by the state treasurer from the state general fund upon warrant from the governing authority of the retirement system.
 - (c) At the end of each fiscal year, the difference between the minimum employer contribution, as required by the Constitution of Louisiana, and the actuarially required employer contribution for the fiscal year, as determined pursuant to the provisions of this Section, shall be determined and applied in accordance with the following provisions:
 - (i) The amount, if any, by which the actuarially required contribution for a system exceeds the constitutionally required minimum contribution for that system shall be accumulated in an employer credit account which shall be adjusted annually to reflect any gain or loss attributable to the balance in the account at the actuarial rate of return earned by the system.
 - (ii) Except as provided in Paragraph (5) of this Subsection, annual contributions required in accordance with this Section, or the constitutional minimum if greater, may be funded in whole or in part from the employer credit account, provided the employee contribution rate or rates for the system as set forth in R.S. 11:62 has or have been reduced to an amount equal to or less than fifty percent of the annual normal cost for the system or the plan rounded to the nearest one-quarter percent.
 - (d) Except as provided in R.S. 11:102.1 and 102.2, differences occurring for any other reason shall be added to or subtracted from the following fiscal year's actuarially required employer contribution in accordance with the provisions of this Section.
- (3) With respect to each state public retirement system, the actuarially required employer contribution for each fiscal year, commencing with Fiscal Year 1989-1990, shall be that dollar amount equal to the sum of:
- (a) The employer's normal cost for that fiscal year, computed as of the first of the fiscal year using the system's actuarial funding method as specified in R.S. 11:22 and taking into account the value of future accumulated employee contributions and interest thereon, such employer's normal cost rate multiplied by the total projected payroll for all active members to the middle of that fiscal year. For the Louisiana State Employees' Retirement System, effective for the June 30, 2010 system valuation and beginning with Fiscal Year 2011-2012, the normal cost shall be

§102. Employer contributions; determination; state systems

determined in accordance with Subsection C of this Section. For the Teachers' Retirement System of Louisiana, effective for the June 30, 2011 system valuation and beginning with Fiscal Year 2012-2013, the normal cost shall be determined in accordance with Subsection D of this Section.

- (b) That fiscal year's payment, computed as of the first of that fiscal year and projected to the middle of that fiscal year at the actuarially assumed interest rate, taking into account consolidation with other amortization bases, if any, as provided in R.S. 11:42, 102.1, and 102.2, and using the system's amortization method specified in R.S. 11:42, necessary to amortize the unfunded accrued liability as of June 30, 1988, such unfunded accrued liability computed using the system's actuarial funding method as specified in R.S. 11:22.

- (c) Except as provided in R.S. 11:102.1 and 102.2, that fiscal year's payment, computed as of the first of that fiscal year and projected to the middle of that fiscal year at the actuarially assumed interest rate, necessary to amortize the prior year's over or underpayment as a level dollar amount over a period of five years.

- (d) That fiscal year's payment, computed as of the first of that fiscal year and projected to the middle of that fiscal year at the actuarially assumed interest rate, necessary to amortize changes in actuarial liability due to:
 - (i) Actuarial gains and losses, if appropriate for the funding method used by the system as specified in R.S. 11:22, for each fiscal year beginning after June 30, 1988, such payments to be computed as provided in Subsection C, D, E, or F of this Section.
 - (ii) Changes in the method of valuing of assets, such payments to be computed as provided in Subsection C, D, E, or F of this Section.
 - (iii) Changes in actuarial assumptions or actuarial funding methods, excluding changes in methods of valuing of assets, such payments to be computed as provided in Subsection C, D, E, or F of this Section.
 - (iv) Changes in actuarial accrued liability, computed using the actuarial funding method as specified in R.S. 11:22, due to legislation changing plan provisions, such payments to be computed in the manner and over the time period specified in the legislation creating the change or, if not specified in such legislation, as provided in Subsection C, D, E, or F of this Section.

§102. Employer contributions; determination; state systems

- (e) Beginning in the first fiscal year in which the projected aggregate employer contribution rate, calculated without regard to any changes in the board-approved actuarial valuation rate, will not increase, the projected noninvestment-related administrative expenses for the fiscal year.
- (4) At the end of the fiscal year during which the assets, excluding the outstanding balance due to Subparagraph B(3)(c) of this Section, exceed the actuarial accrued liability of that system, the amortization schedules calculated pursuant to Subparagraphs (B)(3)(b) and (d) and Subsection C, D, E, or F of this Section shall be fully liquidated and assets in excess of the actuarial accrued liability shall be amortized as a credit in accordance with the provisions of Subparagraph (B)(3)(d) and Subsection C, D, E, or F of this Section.
- (5)
 - (a) Notwithstanding any other provision of this Section to the contrary, the gross employer contribution rate for the Louisiana State Employees' Retirement System and the Teachers' Retirement System of Louisiana shall not be less than fifteen and one-half percent per year until such time as the unfunded accrued liability that existed on June 30, 2004, is fully funded.
 - (b) At the end of each fiscal year, the difference, if any, by which the amount of contributions received from payment of all employer contributions at the fixed minimum employer contribution rate established pursuant to this Paragraph exceeds the greater of the minimum employer contribution required by Article X, Section 29 of the Constitution of Louisiana or the statutory minimum employer contribution rate calculated according to the methodology provided for in Subparagraph (3)(d) of this Subsection or in Subsection C or D of this Section shall be accumulated in an employer credit account for the respective system.
 - (c) The employer credit account shall be adjusted annually to reflect any gain or loss attributable to the balance in the account at the actuarial rate of return earned by the system.
 - (d)
 - (i) Except as provided in R.S. 11:102.1 and 102.2, the employer credit account of a system shall be used exclusively to reduce any unfunded accrued liability of that system created before July 1, 2004, and shall not be debited for any other purpose.
 - (ii) Effective for the June 30, 2009 system valuation and beginning July 1, 2010, any funds in the system's employer credit account shall be applied to the remaining balance of the original amortization base or the experience account amortization base established in accordance with and as further provided by R.S. 11:102.1 or 102.2.

§102. Employer contributions; determination; state systems

- C. (1) The provisions of this Subsection shall apply to the Louisiana State Employees' Retirement System.
- (2) (a) Except as provided in Subparagraph (b) of this Paragraph and in R.S. 11:102.5, effective July 1, 2004, and beginning with Fiscal Year 1998-1999, the amortization period for the changes, gains, or losses of the system provided in Items (B)(3)(d)(i) through (iv) of this Section shall be thirty years from the year in which the change, gain, or loss occurred. The outstanding balances of amortization bases established pursuant to Items (B)(3)(d)(i) through (iv) of this Section before Fiscal Year 1998-1999, shall be amortized as a level-dollar amount from July 1, 2004, through June 30, 2029. Beginning with Fiscal Year 2003-2004, and for each fiscal year thereafter, the outstanding balances of amortization bases established pursuant to Items (B)(3)(d)(i) through (iv) of this Section shall be amortized as a level-dollar amount. Effective for the June 30, 2010 system valuation and beginning with Fiscal Year 2011-2012, amortization payments for changes in actuarial liability shall be determined in accordance with this Subsection.
- (b) Notwithstanding the provisions of Subparagraph (a) of this Paragraph, effective for the June thirtieth valuation following the fiscal year in which the system first attains a funded percentage of seventy or more pursuant to R.S. 11:542 and for every year thereafter, the amortization period for the changes, gains, or losses of the system provided in Items (B)(3)(d)(i) through (iv) of this Section occurring in that year or thereafter shall be twenty years from the year in which the change, gain, or loss occurred.
- (c) Effective for the first system valuation following June 30, 2015, in which an allocation is made to the system's experience account and for each valuation thereafter, actuarial gains allocated to the experience account shall be amortized as a loss with level payments over a ten-year period.
- (3) The provisions of this Paragraph and Paragraphs (4) through (9) of this Subsection shall be effective for the June 30, 2010 system valuation and beginning Fiscal Year 2011-2012. For purposes of this Subsection, "plan" or "plans" shall mean a subgroup within the system characterized by the following employee classifications:
- (a) Rank-and-file members of the system.
- (b) Full-time law enforcement personnel, supervisors, or administrators who are employed with the Department of Revenue or office of alcohol and tobacco control and who are P.O.S.T. certified, have the power to arrest, and hold a commission from such office.

§102. Employer contributions; determination; state systems

- (c) Peace officers, as defined by R.S. 40:2402(3)(a), employed by the Department of Public Safety and Corrections, office of state police, other than state troopers.
 - (d) Judges and court officers to whom Subpart A of Part VII of Chapter 1 of Subtitle II of this Title is applicable.
 - (e) Wildlife agents to whom Subpart B of Part VII of Chapter 1 of Subtitle II of this Title is applicable.
 - (f) Wardens, correctional officers, probation and parole officers, and security personnel employed by the Department of Public Safety and Corrections who are members of the secondary component pursuant to Subpart C of Part VII of Chapter 1 of Subtitle II of this Title.
 - (g) Correctional officers, probation and parole officers, and security personnel employed by the Department of Public Safety and Corrections who are members of the primary component.
 - (h) Legislators, the governor, and the lieutenant governor.
 - (i) Employees of the bridge police section of the Crescent City Connection Division of the Department of Transportation and Development.
 - (j) Hazardous duty plan members as provided pursuant to R.S. 11:611 et seq.
 - (k) Judges as provided pursuant to R.S. 11:62(5)(a)(iii) and 444(A)(1)(a)(ii).
 - (l) Harbor Police Retirement Plan members as provided pursuant to R.S. 11:631.
 - (m) Any other specialty retirement plan provided for a subgroup of system members. If the legislation enacting such a plan is silent as to the application of this Subsection, the Public Retirement Systems' Actuarial Committee shall provide for the application to such plan.
- (4) Effective for the June 30, 2010 system valuation and beginning with Fiscal Year 2011-2012, the normal cost calculated pursuant to Subparagraph (B)(3) (a) of this Section, shall be calculated separately for each particular plan within the system. An employer shall pay employer contributions for each employee at the rate applicable to the plan of which that employee is a member.
 - (5) Effective for the June 30, 2010 system valuation and beginning with Fiscal Year 2011-2012, changes in actuarial liability due to legislation, changes in governmental organization, or reclassification of employees or positions shall be calculated individually for each particular plan within the system based on each plan's actuarial experience as further provided in Subparagraph (6)(c) of this Subsection.

§102. Employer contributions; determination; state systems

- (6) For each plan referenced in Paragraph (3) of this Subsection, the legislature shall set the required employer contribution rate equal to the sum of the following:
- (a) The particularized normal cost rate. The normal cost rate for each fiscal year shall be the employer's normal cost for the plan computed by applying the method specified in R.S. 11:102(B)(1) and (3)(a) to the plan.
 - (b) The shared unfunded accrued liability rate. (i) Except as provided in Item (ii) of this Subparagraph, a single rate shall be computed for each fiscal year, applicable to all plans for actuarial changes, gains, and losses existing on June 30, 2010, or occurring thereafter, including experience and investment gains and losses, which are independent of the existence of the plans listed in Paragraph (3) of this Subsection, the payment and rate therefor shall be calculated as provided in this Subsection and Paragraphs (B)(1) and (3) of this Section.
 - (ii) The shared unfunded accrued liability rate applicable to the Harbor Police Retirement System shall not include any unfunded accrued liability incurred on or before July 1, 2015, until the earlier of:
 - (aa) July 1, 2022.
 - (bb) The date that all sums payable by the Port of New Orleans to the board of trustees of the Louisiana State Employees' Retirement System pursuant to the terms and conditions of a cooperative endeavor agreement between the board of trustees of the Louisiana State Employees' Retirement System, the board of commissioners of the Port of New Orleans, and the board of trustees of the Harbor Police Retirement System regarding the merger of the Harbor Police Retirement System into the Louisiana State Employees' Retirement System have been paid in full.
 - (c) The particularized unfunded accrued liability rate. For actuarial changes, gains, and losses, excluding experience and investment gains and losses, first recognized in the June 30, 2010 valuation or in any later valuation, attributable to one or more, but not all, plans listed in Paragraph (3) of this Subsection or to some new plan or plans, created, implemented, or enacted after July 1, 2010, a particularized contribution rate shall be calculated as provided in this Subsection and Paragraphs (B)(1) and (3) of this Section.
 - (d) The shared gross employer contribution rate difference. The gross employer contribution rate difference shall be the difference between the minimum gross employer contribution rate provided in Paragraph (B)(5)

§102. Employer contributions; determination; state systems

of this Section and the aggregate employer contribution rate calculated pursuant to the provisions of Subsection B of this Section.

- (7) Each entity funding a portion of the member's salary shall also fund the employer's contribution on that portion of the member's salary at the employer contribution rate specified in this Subsection.
 - (8) For purposes of Paragraph (B)(2) of this Section the actuarially required employer contributions and the employer contributions actually received for all plans shall be totaled and treated as a single contribution.
 - (9) If provisions of this Section cover matters not specifically addressed by the provisions of this Subsection, then those provisions shall be applicable.
- D. (1) The provisions of this Subsection shall apply to the Teachers' Retirement System of Louisiana.
- (2) (a) Except as provided in Subparagraph (b) of this Paragraph and in R.S. 11:102.5, effective July 1, 2004, and beginning with Fiscal Year 2000-2001, the amortization period for the changes, gains, or losses of the system provided in Items (B)(3)(d)(i) through (iv) of this Section shall be thirty years from the year in which the change, gain, or loss occurred. The outstanding balances of amortization bases established pursuant to Items (B)(3)(d)(i) through (iv) of this Section before Fiscal Year 2000-2001, shall be amortized as a level-dollar amount from July 1, 2004, through June 30, 2029. Beginning with Fiscal Year 2003-2004, and for each fiscal year thereafter, the outstanding balances of amortization bases established pursuant to Items (B)(3)(d)(i) through (iv) of this Section shall be amortized as a level-dollar amount. Effective for the June 30, 2011 system valuation and beginning with Fiscal Year 2012-2013, amortization payments for changes in actuarial liability shall be determined in accordance with this Subsection.
 - (b) Notwithstanding the provisions of Subparagraph (a) of this Paragraph, effective for the June thirtieth valuation following the fiscal year in which the system first attains a funded percentage of seventy or more pursuant to R.S. 11:883.1 and for every year thereafter, the amortization period for the changes, gains, or losses of the system provided in Items (B)(3)(d)(i) through (iv) of this Section occurring in that year or thereafter shall be twenty years from the year in which the change, gain, or loss occurred.
 - (c) Effective for the first system valuation following June 30, 2015, in which an allocation is made to the system's experience account and for each valuation thereafter, actuarial gains allocated to the experience account shall be amortized as a loss with level payments over a ten-year period.

§102. Employer contributions; determination; state systems

- (3) The provisions of this Paragraph and Paragraphs (4) through (9) of this Subsection shall be effective for the June 30, 2011 system valuation and beginning Fiscal Year 2012-2013. For purposes of this Subsection, “plan” or “plans” shall mean a subgroup within the system characterized by the following employee classifications:
- (a) Employees of an institution of postsecondary education, the Board of Regents, or a postsecondary education management board who are not employed for the sole purpose of providing instruction or administrative services at the primary or secondary level, including at any lab school and the Louisiana School for Math, Science, and the Arts.
 - (b) Any other specialty retirement plan provided for a subgroup of system members. If the legislation enacting such a plan is silent as to the application of this Subsection, the Public Retirement Systems’ Actuarial Committee shall provide for the application to such plan.
 - (c) All other teachers, as defined in R.S. 11:701(33), including members paid from school food service funds as provided in R.S. 11:801 and 811.
- (4) Effective for the June 30, 2011 system valuation and beginning with Fiscal Year 2012-2013, the normal cost calculated pursuant to Subparagraph (B)(3)(a) of this Section, shall be calculated separately for each particular plan within the system. An employer shall pay employer contributions for each employee at the rate applicable to the plan of which that employee is a member.
- (5) Effective for the June 30, 2011 system valuation and beginning with Fiscal Year 2012-2013, changes in actuarial liability due to legislation, changes in governmental organization, or reclassification of employees or positions shall be calculated individually for each particular plan within the system based on each plan’s actuarial experience as further provided in Subparagraph (6)(c) of this Subsection.
- (6) For each plan referenced in Paragraph (3) of this Subsection, the legislature shall set the required employer contribution rate equal to the sum of the following:
- (a) The particularized normal cost rate. The normal cost rate for each fiscal year shall be the employer’s normal cost for employees in the plan computed by applying the method specified in Paragraph (B)(1) and Subparagraph (B)(3)(a) of this Section to the plan.
 - (b) The shared unfunded accrued liability rate. A single rate shall be computed for each fiscal year, applicable to all plans for actuarial changes, gains, and losses existing on June 30, 2011, or occurring thereafter, including

§102. Employer contributions; determination; state systems

experience and investment gains and losses, which are independent of the existence of the plans listed in Paragraph (3) of this Subsection, the payment and rate therefor shall be calculated as provided in this Subsection and Paragraphs (B)(1) and (3) of this Section.

- (c) The particularized unfunded accrued liability rate. For actuarial changes, gains, and losses, excluding experience and investment gains and losses, first recognized in the June 30, 2011, valuation or in any later valuation, attributable to one or more, but not all, plans listed in Paragraph (1) of this Subsection or to some new plan or plans, created, implemented, or enacted after July 1, 2011, a particularized contribution rate shall be calculated as provided in this Subsection and Paragraphs (B)(1) and (3) of this Section.
- (d) The shared gross employer contribution rate difference. The gross employer contribution rate difference shall be the difference between the minimum gross employer contribution rate provided in Paragraph (B)(5) of this Section and the aggregate employer contribution rate calculated pursuant to the provisions of Subsection B of this Section.
- (7) Each entity funding a portion of the member's salary shall also fund the employer's contribution on that portion of the member's salary at the employer contribution rate specified in this Subsection.
- (8) For purposes of Paragraph (B)(2) of this Section the actuarially required employer contributions and the employer contributions actually received for all plans shall be totaled and treated as a single contribution.
- (9) If provisions of this Section cover matters not specifically addressed by the provisions of this Subsection, then those provisions shall be applicable.
- E. (1) Except as provided in Paragraphs (2) and (3) of this Subsection and in R.S. 11:102.5, effective July 1, 2004, and beginning with Fiscal Year 2000-2001, the amortization period for the changes, gains, or losses of the Louisiana School Employees' Retirement System provided in Items (B)(3)(d)(i) through (iv) of this Section shall be thirty years from the year in which the change, gain, or loss occurred. The outstanding balances of amortization bases established pursuant to Items (B)(3)(d)(i) through (iv) of this Section before Fiscal Year 2000-2001, shall be amortized as a level-dollar amount from July 1, 2004, through June 30, 2029. Beginning with Fiscal Year 2003-2004, and for each fiscal year thereafter, the outstanding balances of amortization bases established pursuant to Items (B)(3)(d)(i) through (iv) of this Section shall be amortized as a level-dollar amount.
- (2) (a) All outstanding amortization bases in existence on June 30, 2014, including outstanding balances established pursuant to Subparagraph

§102. Employer contributions; determination; state systems

(B)(3)(c) of this Section, shall be consolidated and reamortized over the period ending June 30, 2044, with level-dollar payments, effective with the June 30, 2014 valuation. This Paragraph shall not apply to amortization bases established after June 30, 2014.

- (b) After payment of a permanent benefit increase pursuant to the provisions of R.S. 11:1145.1, the unused portion of the June 30, 2013 experience account balance shall be credited in an amortization conversion account from which annual contributions required pursuant to Subparagraph (a) of this Paragraph shall be funded in whole or in part for the years July 1, 2014, through June 30, 2019. Effective June 30, 2019, all funds remaining in the amortization conversion account shall be amortized as a gain in accordance with the provisions of this Subsection.
- (3) Notwithstanding the provisions of Paragraph (1) of this Subsection, effective for the June thirtieth valuation following the fiscal year in which the system first attains a funded percentage of seventy-two or more pursuant to R.S. 11:1145.1 and for every year thereafter, the amortization period for the changes, gains, or losses of the system provided in Items (B)(3)(d)(i) through (iv) of this Section occurring in that year or thereafter shall be twenty years from the year in which the change, gain, or loss occurred.
- (4) Effective for the first system valuation following June 30, 2015, in which an allocation is made to the system's experience account and for each valuation thereafter, actuarial gains allocated to the experience account shall be amortized as a loss with level payments over a ten-year period.
- F. (1) Except as provided in Paragraph (2) of this Subsection and in R.S. 11:102.5, effective July 1, 2009, and beginning with Fiscal Year 1992-1993, the amortization period for the changes, gains, or losses of the Louisiana State Police Retirement System provided in Items (B)(3)(d)(i) through (iv) of this Section shall be thirty years from the year in which the change, gain, or loss occurred. The outstanding balances of amortization bases established pursuant to Items (B)(3)(d)(i) through (iv) of this Section before Fiscal Year 2008-2009 shall be amortized as a level-dollar amount from July 1, 2009, through June 30, 2029. Beginning with Fiscal Year 2008-2009, and for each fiscal year thereafter, the outstanding balances of amortization bases established pursuant to Items (B)(3)(d)(i) through (iv) of this Section shall be amortized as a level-dollar amount.
- (2) Notwithstanding the provisions of Paragraph (1) of this Subsection, effective for the June thirtieth valuation following the fiscal year in which the system first attains a funded percentage of seventy or more pursuant to R.S. 11:1332 and

§102.1. Consolidation of amortization payment schedules; LASERS

for every year thereafter, the amortization period for the changes, gains, or losses of the system provided in Items (B)(3)(d)(i) through (iv) of this Section occurring in that year or thereafter shall be twenty years from the year in which the change, gain, or loss occurred.

- (3) Effective for the first system valuation following June 30, 2015, in which an allocation is made to the system's experience account and for each valuation thereafter, actuarial gains allocated to the experience account shall be amortized as a loss with level payments over a ten-year period.

Added by Acts 1988, No. 81, §2, eff. July 1, 1989. Amended by Acts 1989, 1st Ex.Sess., No. 4, §1, eff. July 1, 1989; Acts 1990, No. 470, §1, eff. July 1, 1990; Acts 1992, No. 257, §1, eff. July 1, 1992; Acts 1993, No. 734, §1, eff. July 1, 1993; Acts 1999, No. 1331, §1, eff. July 12, 1999; Acts 2000, 1st Ex.Sess., No. 14, §1, eff. April 14, 2000; Acts 2004, No. 588, §1, eff. June 30, 2004; Acts 2009, No. 497, §1, eff. June 30, 2009; Acts 2010, No. 861, §4, eff. August 15, 2010; Acts 2010, No. 1026, §1, eff. July 1, 2010; Acts 2012, No. 227, §1, eff. August 1, 2012; Acts 2012, No. 716, §1, eff. June 11, 2012; Acts 2014, No. 23, §1, eff. June 30, 2014; Acts 2014, No. 399, §1, eff. June 30, 2014; Acts 2014, No. 478, §1, eff. June 30, 2014; Acts 2016, No. 94, §1, eff. June 10, 2016; Acts 2016, No. 95, §§ 1 and 2, eff. June 30, 2016.

NOTE: See Acts 2004, No. 588, §2, relative to balances in the Employee Experience Account of the La. State Employees' Retirement System and the Teachers' Retirement System of La. on June 30, 2004.

NOTE: See Acts 2009, No. 497, §2, eff. June 30, 2009, relative to conflicts with previous Acts and §4 relative to effect on contribution rates.

[Editor's Note: The provisions of Act 483 of the 2012 Regular Legislative Session were enacted in violation of Article X, § 29(F) of the Louisiana Constitution. Those provisions have been intentionally omitted for clarity.]

§102.1. Amortization payment schedules; priority excess return allocations; Louisiana State Employees' Retirement System

- A. (1) For the Louisiana State Employees' Retirement System, effective for the June 30, 2009 system valuation and with payments beginning July 1, 2010, all amortization bases existing on July 1, 2008, shall be consolidated as provided in this Section.
- (2) There shall be two consolidated amortization bases calculated and amortized as provided in this Section. Any existing amortization base not included in a consolidated base pursuant to this Section shall remain separate and continue to be amortized and funded as otherwise provided by law.
- (3) Beginning with Fiscal Year 2008-2009 and for each fiscal year thereafter, that year's changes, gains, and losses shall be calculated and payments therefor determined as provided in R.S. 11:102, except as otherwise specified in this Section.

§102.1. Consolidation of amortization payment schedules; LASERS

- (4) For purposes of this Section, the following shall apply:
- (a) “Primary priority amount” shall mean the maximum amount of system returns in excess of the system’s actuarially assumed rate of return that may be applied to the original amortization base, regardless of whether actual returns that equal or exceed the maximum are available, and shall equal:
 - (i) For the June 30, 2015 valuation, fifty million dollars.
 - (ii) For each valuation thereafter, the prior year’s primary priority amount increased by the percentage increase in the system’s actuarial value of assets for the prior year, if any.
 - (b) “Primary allocation” shall mean the actual returns available for application to the original amortization base.
 - (c) “Secondary priority amount” shall mean the maximum amount of system returns in excess of the system’s actuarially assumed rate of return that may be applied to the experience account amortization base, regardless of whether actual returns that equal or exceed the maximum are available, and shall equal:
 - (i) For the June 30, 2015 valuation, fifty million dollars.
 - (ii) For each valuation thereafter, before the original amortization base is liquidated, the prior year’s secondary priority amount increased by the percentage increase in the system’s actuarial value of assets for the prior year, if any.
 - (iii) For the valuation in which the original amortization base is liquidated, that year’s secondary priority amount calculated pursuant to Item (ii) of this Subparagraph plus any money from that year’s primary priority amount remaining after liquidation of the original amortization base.
 - (iv) For the first valuation after the original amortization base is liquidated, the portion of the prior year’s primary priority amount that was necessary to liquidate the original amortization base plus the prior year’s secondary priority amount, both increased by the percentage increase in the system’s actuarial value of assets for the prior year, if any.
 - (v) For the second valuation after the original amortization base is liquidated and for each valuation thereafter, the prior year’s secondary priority amount increased by the percentage increase in the system’s actuarial value of assets for the prior year, if any.

§102.1. Consolidation of amortization payment schedules; LASERS

- (d) “Secondary allocation” shall mean the actual returns available for application to the experience account amortization base.
- (e) “Residual priority amount” shall mean the maximum amount of system returns in excess of the system’s actuarially assumed rate of return that may be applied to the oldest outstanding positive amortization base after liquidation of the experience account amortization base, regardless of whether actual returns that equal or exceed the maximum are available, and shall equal:
 - (i) For the valuation in which the experience account amortization base is liquidated, the money from that year’s secondary allocation remaining after liquidation of the experience account amortization base, if any.
 - (ii) For the first valuation after the experience account amortization base is liquidated, the prior year’s secondary priority amount, increased by the percentage increase in the system’s actuarial value of assets for the prior year, if any.
 - (iii) For the second valuation after the experience account amortization base is liquidated and for each valuation thereafter, the prior year’s residual priority amount increased by the percentage increase in the system’s actuarial value of assets for the prior year, if any.
- (f) “Residual allocation” shall mean the actual returns available for application to the oldest outstanding positive amortization base after liquidation of the experience account amortization base.
- (g) In no event shall the total of one year’s priority amounts be less than the total of the previous year’s priority amounts.
- (h) Notwithstanding the provisions of Subparagraph (i) of this Paragraph, effective for the June thirtieth valuation following the fiscal year in which the system first attains a funded percentage of eighty or more pursuant to R.S. 11:542 and for each valuation thereafter, the net remaining liability of the amortization base to which the funds are applied shall be reamortized with annual level-dollar payments calculated as provided in R.S. 11:102 over the remainder of the amortization period originally established for that amortization base.
- (i) Beginning with Fiscal Year 2019-2020 and every fifth fiscal year thereafter, the remaining liability net of all payments made since the last reamortization shall be reamortized over the remainder of the amortization period originally established for that amortization base with annual payments calculated as provided for in this Section.

§102.1. Consolidation of amortization payment schedules; LASERS

- (j) Except as provided in Subparagraphs (h) and (i) of this Paragraph and in Item (B)(3)(a)(iv) of this Section, the net remaining liability of the amortization base to which the funds are applied shall not be reamortized after such application.

B. Original amortization base.

- (1) The remaining balances of outstanding amortization bases in excess of twenty years for the years 1993 through 1995, 1997 and 1998, and 2005 through 2007, excluding the amortization base for liability created by Act No. 414 of the 2007 Regular Session of the Legislature, as specified in the June 30, 2008 system valuation adopted by the Public Retirement Systems' Actuarial Committee on February 5, 2009, shall be consolidated into a single amortization base effective for the June 30, 2009, system valuation with payments beginning on July 1, 2010.
- (2)
 - (a) To this base shall be applied any monies in the separate fund known alternatively as the "Texaco Account" or the "Initial Unfunded Accrued Liability Account" on June 30, 2010, and any appropriation provided in the 2009 Regular Session of the Legislature.
 - (b) The balance in this account as of June 30, 2008, exclusive of any subaccount balance, shall be credited with interest at the system's actuarially assumed interest rate until the funds in the account are applied as provided in this Subsection.
- (3)
 - (a) This consolidated amortization base shall be known as the "original amortization base" and shall be amortized with annual payments calculated as follows:
 - (i) For Fiscal Year 2010-2011, the projected payment shall be the amount specified in the June 30, 2009 system valuation adopted by the Public Retirement Systems' Actuarial Committee pursuant to R.S. 11:127. The actuarially required contribution shall be determined in accordance with the provisions of R.S. 11:102 in the June 30, 2010 system valuation adopted by the committee.
 - (ii) Payments thereafter shall form an annuity increasing at six and one-half percent for one year, at five and one-half percent annually for the following four years, and at five percent annually for the following two years.
 - (iii) Beginning in Fiscal Year 2018-2019, the payments shall be amortized over the remaining period with payments forming an annuity increasing at two percent annually.

§102.1. Consolidation of amortization payment schedules; LASERS

- (iv) Notwithstanding any provision of this Section to the contrary, the net remaining liability shall be reamortized over the remainder of the amortization period ending in 2029 in the first valuation after Fiscal Year 2019-2020 for which this reamortization results in annual level-dollar payments that do not exceed the payment otherwise required for that year's valuation.
- (b) The first payment after this consolidation shall be made in Fiscal Year 2010-2011 and the final payment shall be made no later than Fiscal Year 2028-2029.
- (4) Except as provided in Paragraph (6) of this Subsection, in any year in which the system exceeds its actuarially assumed rate of return, the primary allocation shall be applied to the remaining balance of the original amortization base established in this Subsection.
- (5) Notwithstanding the provisions of R.S. 11:102(B)(3)(c) and (5) or any other provision of law to the contrary, in any year through Fiscal Year 2016-2017 in which the system receives an overpayment of employer contributions as determined pursuant to R.S. 11:102(B)(2) and in any year through Fiscal Year 2016-2017 in which the system receives additional contributions pursuant to R.S. 11:102(B)(5), the amount of such overpayment or additional contribution shall be applied to the remaining balance of the original amortization base established pursuant to this Subsection.
- (6) For the June 30, 2014 valuation, if the system exceeds its actuarially assumed rate of return, the excess returns, up to the first twenty-five million dollars, shall be applied to the remaining balance of the original amortization base established in this Subsection, without reamortization of such base.

C. Experience account amortization base.

- (1) The remaining balances of outstanding amortization bases for the years 1996, 1999 through 2004, and 2008, as specified in the system valuation adopted by the Public Retirement Systems' Actuarial Committee on February 5, 2009, shall be consolidated into a single amortization base, effective for the June 30, 2009 system valuation with payments beginning on July 1, 2010.
- (2) To this shall be applied the balance in the experience account or the balance in the subaccount of the Texaco Account created pursuant to R.S. 11:542.
- (3) This consolidated amortization base shall be known as the "experience account amortization base" and shall be amortized with annual payments over a thirty-year period beginning in Fiscal Year 2010-2011 as follows:
 - (a) For Fiscal Year 2010-2011, the projected payment shall be the amount specified in the June 30, 2009 system valuation adopted by the Public

§102.1. Consolidation of amortization payment schedules; LASERS

Retirement Systems' Actuarial Committee pursuant to R.S. 11:127. The actuarially required contribution shall be determined in accordance with the provisions of R.S. 11:102 in the June 30, 2010 system valuation adopted by the committee.

- (b) Payments thereafter shall form an annuity increasing at six and one-half percent for one year, five and one-half percent for the following four years, and five percent for the following two years.
 - (c) Beginning in Fiscal Year 2018-2019, the outstanding balance shall be amortized over the remaining period with annual level dollar payments.
- (4) Except as provided in Paragraph (6) of this Subsection, in any year before the liquidation of the original amortization base in which the excess returns of the system exceed the primary priority amount, the secondary allocation shall be applied to the experience account amortization base established in this Subsection. In the year in which the original amortization base is liquidated and for each year thereafter until the experience account amortization base is liquidated, the secondary allocation shall be applied to the experience account amortization base.
- (5) Notwithstanding the provisions of R.S. 11:102(B)(3)(c) and (5) or any other provision of law to the contrary, in any year from Fiscal Year 2017-2018 through Fiscal Year 2039-2040 in which the system receives an overpayment of employer contributions as determined pursuant to R.S. 11:102(B)(2) and in any year from Fiscal Year 2017-2018 through Fiscal Year 2039-2040 in which the system receives additional contributions pursuant to R.S. 11:102(B)(5), the amount of such overpayment or additional contribution shall be applied to the remaining balance of the experience account amortization base established pursuant to this Subsection.
- (6) For the June 30, 2014 valuation, if the excess returns of the system exceed the amount applied to the original amortization base pursuant to Paragraph (B)(6) of this Section, the remaining excess returns, up to the next twenty-five million dollars, shall be applied to the remaining balance of the experience account amortization base established in this Subsection, without reamortization of such base.
- D. (1) If both the original amortization base and the experience account amortization base have been liquidated, the residual allocation shall be applied to the system's oldest outstanding positive amortization base, excluding any liability established pursuant to R.S. 11:102(B)(2)(a) or (3)(c) or (C)(6)(c) until all such bases are completely liquidated. After the final base is completely liquidated, the assets shall be treated as provided in R.S. 11:102(B)(4).
- (2) If there are multiple positive bases of the same age and the same duration, all such bases shall be collapsed into a single base for purposes of this Subsection.

- (3) If there are multiple positive bases of the same age but of different durations, the oldest outstanding positive amortization base with the shortest remaining amortization period shall be treated as the “oldest” for purposes of this Subsection.

Added by Acts 2009, No. 497, §1, eff. June 30, 2009; Amended by Acts 2014, No. 399, §1, eff. June 30, 2014; Acts 2016, No. 95, §1, eff. June 30, 2016.

NOTE: See Acts 2009, No. 497, §2, eff. June 30, 2009, relative to conflicts with previous Acts and §4 relative to affect on contribution rates

§102.2. Amortization payment schedules; priority excess return allocations; Teachers’ Retirement System of Louisiana

Editor’s note: This section applies only to the Teachers’ Retirement System and has been intentionally omitted.

§102.3. Priority excess return allocations; Louisiana School Employees’ Retirement System

Editor’s note: This section applies only to the Louisiana School Employees’ Retirement System and has been intentionally omitted.

§102.4. Priority excess return allocations; State Police Retirement System

Editor’s note: This section applies only to the State Police Retirement System and has been intentionally omitted.

§102.5. State systems’ 2014 valuation amortization period

Notwithstanding any provision of R.S. 11:102 or any other law to the contrary, for the June 30, 2014 valuation the amortization period for investment gains of the Louisiana State Employees’ Retirement System, the Teachers’ Retirement System of Louisiana, the Louisiana School Employees’ Retirement System, and the State Police Retirement System not allocated to an amortization base pursuant to R.S. 11:102.1, 102.2, 102.3, or 102.4 and not credited to the experience account shall be five years.

Added by Acts 2016, No. 95, §1, eff. June 30, 2016.

§102.6 Review of volatility

Following the close of Fiscal Year 2016-2017, the future volatility of the then-existing schedules of each state system shall be reexamined by staff of each system and of the legislature, including actuaries for both. The results of this reexamination, which may identify issues to be resolved and include recommendations for plan amendments, shall be reported to the Public Retirement Systems’ Actuarial Committee by November 1, 2017. The committee shall review the results and determine what changes to the system plan provisions, if any, are advisable. If appropriate, the committee shall make a recommendation to the legislature by December 15, 2017, on whether and what type of legislation is warranted.

Added by Acts 2014, No. 399, §1, eff. June 30, 2014. Amended by Acts 2016, No. 95, §1, eff. June 30, 2016.

§103. Employer contributions; determination; statewide systems

§103. Employer contributions; determination; statewide systems

Editor’s note: This section applies only to the statewide retirement systems and has been intentionally omitted.

§104. Employer contributions; determination date; notification

- A. The employer contribution rate as referred to in this Subpart shall be determined by the Public Retirement Systems’ Actuarial Committee as soon as practicable after the first day of January but no later than the last Monday in February of each year for those systems that have a fiscal year ending on the thirtieth day of June.
- B. Within ten business days after the determination of a rate pursuant to this Section, the chairman of the Public Retirement Systems’ Actuarial Committee shall notify each employer or retirement system that the referenced rate shall be recommended to the legislature for approval, or that the given rate shall be used by the employer or retirement system, whichever is appropriate under the provisions contained in R.S. 11:102 and 103.

Added by Acts 1991, No. 1038, §1. Amended by Acts 1992, No. 958, §1; Acts 2010, No. 874, §1, eff. July 1, 2010.

§105. Employer contributions; maintaining rates

Editor’s note: This section applies only to certain statewide retirement systems and has been intentionally omitted.

§106. Additional employer contributions; increasing rates

Editor’s note: This section applies only to the Assessors’ Retirement Fund and has been intentionally omitted.

§107. Additional employer contributions; reducing rate decreases

Editor’s note: This section applies only to the Parochial Employees’ Retirement System and has been intentionally omitted.

§107.1 Funding deposit account

Editor’s note: This section does not apply to LASERS and has been intentionally omitted.

§107.2. Employer contributions; maintaining rates; reducing rate decreases; Firefighters’ Retirement System; Municipal Police Employees’ Retirement System

Editor’s note: This section does not apply to LASERS and has been intentionally omitted.

§108. Repealed by Acts 2013, No. 184, §5, eff. August 1, 2013.

Chapter 3. Public Retirement Systems' Actuarial Committee

§121. Creation; purpose

- A. The Public Retirement Systems' Actuarial Committee is hereby created within the Department of the Treasury, effective July 1, 1988.
- B. The legislature recognizes that the fiscal integrity of the state and statewide public retirement and pension systems, plans, and funds is a priority and is necessitated by the current financial condition of the systems, plans, and funds. This actuarial committee is created with the intent that a plan can be developed to insure orderly and consistent strategies for continuing development and growth that will attain and maintain the soundness of the systems, plans, and funds. The purpose of this Chapter is to provide an entity to advise and coordinate this ongoing process and to report to the House and Senate committees on retirement and the Joint Legislative Committee on the Budget all findings and recommendations.

Added by Acts 1988, No. 81, §2, eff. July 1, 1988. Amended by Acts 2010, No. 874, §1, eff. July 1, 2010.

§122. Committee; membership

The actuarial committee shall consist of the following voting members:

- (1) The state treasurer, ex officio, or his designee, as a voting member.
- (2) The commissioner of administration, ex officio, or his designee, as a voting member.
- (3) The legislative auditor, ex officio, or his designee, as a voting member.
- (4) An actuary who represents the state retirement systems, selected by a majority of the directors of the state retirement systems, as a voting member.
- (5) An actuary who represents the statewide retirement systems, selected by a majority of the directors of the statewide retirement systems, as a voting member.
- (6) The president of the Senate, ex officio, or his designee, as a voting member.
- (7) The speaker of the House of Representatives, ex officio, or his designee, as a voting member.

Added by Acts 1988, No. 81, §2, eff. July 1, 1988. Amended by Acts 1989, No. 145, §1, eff. July 1, 1989; Acts 1991, No. 1038, §1; Acts 1993, No. 342, §1; Acts 2001, No. 154, §1, eff. July 1, 2001; Acts 2010, No. 874, §1, eff. July 1, 2010.

§123. Compensation and expenses

§123. Compensation and expenses

The members of the committee shall serve without compensation, except for the legislative members, who shall receive their per diem as for attendance at any other legislative meeting, and from the same source.

Added by Acts 1988, No. 81, §2, eff. July 1, 1988. Amended by Acts 1991, No. 1038, §1; Acts 1997, No. 1435, §1; Acts 2001, No. 154, §1, eff. July 1, 2001; Acts 2010, No. 874, §1, eff. July 1, 2010.

§124. Quorum

Six voting members of the committee shall constitute a quorum for the transaction of official business. All official actions of the committee shall require the approval of a majority of the members present and voting unless a greater number is specified by statute.

Added by Acts 1988, No. 81, §2, eff. July 1, 1988. Amended by Acts 1991, No. 1038, §1; Acts 1993, No. 342, §1; Acts 2001, No. 154, §1, eff. July 1, 2001; Acts 2003, No. 953, §1, eff. July 1, 2003; Acts 2010, No. 874, §1, eff. July 1, 2010.

§125. Meetings

The committee shall meet as necessary, and shall assist and report to the House and Senate committees on retirement and the Joint Legislative Committee on the Budget.

Added by Acts 1988, No. 81, §2, eff. July 1, 1988. Amended by Acts 1991, No. 1038, §1; Acts 2010, No. 874, §1, eff. July 1, 2010.

§126. Officers

The members shall elect biennially from their membership, a chair and a vice-chair, and such other officers as the committee may deem advisable. No member shall serve as chair for more than four consecutive years.

Added by Acts 1988, No. 81, §2, eff. July 1, 1988. Amended by Acts 2010, No. 874, §1, eff. July 1, 2010.

§127. Duties

A. The committee shall review and study, on a continuing basis, actuarial assumptions, funding methods, the unfunded liability determined by those methods, the amortization methods to reduce such unfunded liability, and such other matters as the committee deems appropriate. It shall make recommendations, subject to the unanimous approval of the committee, to the retirement systems, plans, and funds and to the House and Senate committees on retirement and the Joint Legislative Committee on the Budget.

B. The committee shall adopt, each year, an official valuation of each state or statewide public retirement system which shall be derived and revised only as provided in this Section.

§127. Duties

- C. The actuaries for the public retirement systems, plans, and funds and for the legislative auditor shall submit annual actuarial valuations to the committee. The committee shall review and analyze all the assumptions and valuations submitted. The committee shall, with the consent of a majority of members present and voting, approve a single valuation for each public retirement system, plan, or fund. Once consent of the members is obtained, the actuarial valuations in the form of the official valuations adopted by the committee shall be submitted to the House and Senate committees on retirement and the Joint Legislative Committee on the Budget.
- D. Each agency represented by a member of the committee shall provide clerical staff and clerical support as requested by any member of the committee in fulfillment of the duties of the committee.

Added by Acts 1988, No. 81, §2, eff. July 1, 1988. Amended by Acts 1991, No. 1038, §1; Acts 1993, No. 342, §1; Acts 2001, No. 154, §1, eff. July 1, 2001; Acts 2010, No. 874, §1, eff. July 1, 2010.

Chapter 4. Provisions Affecting More Than One System

Part I. Special Provisions Relating to Age

§131. Repealed by Acts 1995, No. 682, §2

§132. Scope of application and precedence

The provisions of R.S. 11:131 shall take precedence over and supersede the provisions of any other law to the extent that such provisions are inconsistent with the provisions thereof.

Redesignated from R.S. 42:672 by Acts 1991, No. 74, §3, eff. June 25, 1991.

§133. Compulsory retirement prohibited; exceptions

- A. Except as provided in Subsection B of this Section, in accordance with the provisions of the federal Age Discrimination in Employment Act, no employee of the state of Louisiana, or any political subdivision thereof, or of any district, board, commission, or other agency of either, or of any other such public entity shall be separated from the public service by his appointing authority because of the employee having attained any particular age following employment by the appointing authority.
- B. (1) Notwithstanding the provisions of Subsection A of this Section, as allowed by the federal Age Discrimination in Employment Act, law enforcement personnel and firefighters employed by the state or any political subdivision thereof, except elected officials and department heads appointed by the governor who shall remain covered by the provisions of Subsection A of this Section, who shall have attained the age of sixty-five years shall be separated from public service by the appointing authority. However, in any case in which the appointing authority certifies that the continuance in service of the employee who shall have attained the age of sixty-five years or over would be advantageous to the public service by reason of his expert knowledge and qualifications, such employee may be continued in public service by his appointing authority beyond the age of sixty-five years for periods of one year.
- (2) In accordance with the federal Age Discrimination in Employment Act, the provisions of Paragraph (1) of this Subsection shall terminate on December 31, 1993.

Acts 1958, No. 54, §§1, 2. Amended by Acts 1978, No. 160, §1, eff. June 29, 1978; Acts 1987, No. 264, §1, eff. July 5, 1987; Redesignated from R.S. 42:691 by Acts 1991, No. 74, §3, eff. June 25, 1991.

§142. Reciprocal recognition of credited service in state, parochial, and municipal systems

Part II. General Provisions

Subpart A. Credits, Creditable Service, Reciprocity

§141. Retention of credits

Any person who is a member of any actuarially funded system paid for in whole or part from public funds, other than the State Employees' Retirement System of Louisiana, the Louisiana School Employees' Retirement System of Louisiana, and the Teachers' Retirement System of Louisiana, and who transfers to other public employment where he is no longer eligible for membership in the original retirement system but becomes a member of another actuarially funded system paid for in whole or part from public funds and who has creditable service in the first system for at least ten years, shall have the right to retain membership in the first system, and in the event he becomes eligible for retirement under this second system he shall be entitled to receive a pro rata benefit from each system, each such benefit to be calculated on the years of creditable service and the formula in use in the system from which the benefit is paid.

Acts 1968, No. 525, §1; Redesignated from R.S. 42:696 by Acts 1991, No. 74, §3, eff. June 25, 1991.

§142. Reciprocal recognition of credited service in state, parochial, and municipal systems

- A. A member of any state, municipal, or parochial retirement system with membership service credit in any other state, municipal, or parochial retirement system, or an eligible survivor of a member, shall have the option of combining all service for which the member has credit in every such retirement system in order that eligibility for regular retirement, disability retirement, and survivor's benefits may be acquired, subject to the limitations of this Section; however, such other credited service shall not be recognized until and unless the member has earned at least six months service credit in the member's current system.
- B. To exercise such option, a member shall make application to the system in which he is currently contributing or to which he last contributed if he is not actively contributing to any system at the time of application, or an eligible survivor shall make application to the system in which the member last contributed. The application shall contain the name of all other retirement systems in which the member claims membership service credit and any other necessary information. When the system receives the application it shall forward a copy thereof to each other retirement system in which the member claims credit. Each such application shall contain such information as is mutually agreed upon by the retirement systems involved. Each retirement system receiving the application shall certify to each other retirement system in which the member claims membership service credit the official membership service credit in that retirement system, including specific dates of such service, provided that certification of such agreements for reciprocal service shall be approved by the board of trustees of each such system when application is made by a survivor.

§142. Reciprocal recognition of credited service in state, parochial, and municipal systems

- C. Each of the retirement systems shall keep and retain complete, permanent records on each member, and also shall retain and maintain all contributions and liabilities for service performed by the member in that retirement system.
- D. Eligibility for disability or regular retirement, or for survivor's benefits, shall require the member to meet the highest age and years of service requirements of each system in which he has membership service credit; however, service in any one system sufficient to meet the eligibility requirements of that system shall qualify the member for benefits from that system, but, for the purposes of benefits under this Section, no member shall be eligible to receive benefits from any system so long as he is contributing to another system.
- E. The retirement system in which a member covered by this Section is currently active or in which the member had last actively contributed shall be responsible for coordinating with other retirement systems in which credit is held by promptly notifying each such system when a covered member ceases to be an active member due to resignation, or by death in service, or by application for service or disability retirement or when an inactive member becomes eligible for benefits by reason of attainment of age.
- F. Each system in which a member has membership service credit shall compute the benefits due from that system using its benefit formula in effect on the date of retirement, or on the date of death while in service, and in addition, the following provisions shall apply:
 - (1) Only the compensation and years of service actually earned or credited while in that system shall be used in this computation.
 - (2) If the benefit computation of any system requires the use of a minimum number of years, and the member has credit in the system for fewer than the minimum number of years, the benefit shall be a pro rata portion, based upon the membership service actually to his credit in this system, of what the benefit would be if he had credit for the minimum required years of membership service.
 - (3) If two or more systems provide a lump sum benefit as part of the formula benefit, as in the Louisiana State Employees' Retirement System, the Teachers' Retirement System of Louisiana, and the School Employees' Retirement System of Louisiana, but not limited to these systems, each such system shall pay only that percentage of the additional lump sum benefit that credited service in that system represents of total credited service with respect to all of the systems which provide an additional lump sum benefit; however, in no instance shall the total additional lump sum benefit payable by all of the systems be less than the greatest lump sum benefit payable by any of them, and if the total benefit payable as above provided is less than such greatest lump sum benefit, the system having the greatest lump sum benefit shall pay the difference.

§142. Reciprocal recognition of credited service in state, parochial, and municipal systems

- (4) Each system shall notify each other system in which the member has membership service credit of the amount of benefits payable by it and show the computation of such benefit.
 - (5) All of the retirement systems involved may agree that benefit payments will be made by one system, and that each other system will make appropriate reimbursement to the system making the payment of the amount attributable to it.
- G. No more than one year of membership service shall be credited for any one calendar or fiscal year, and there shall be no duplication of membership service credit for any period, including military service. No more than a total of four years of military service shall be credited unless five years of such credit has been obtained under the rules applicable in a system, in which instance a maximum of five years shall be credited. In the event of duplication of military service credit in more than one system or a total credit for military service in excess of five years, the retirement systems involved shall mutually agree on an appropriate procedure to assure that maximum credit in all systems does not exceed five years.
- H. (1) The total benefits payable from all systems, plus primary employee social security benefits then available by reason of the fact that social security is a part of any of the retirement systems involved, shall not exceed:
- (a) One hundred percent of the highest average compensation on which benefits are based, computed in accordance with Subsection F above.
 - (b) The highest benefit that any one of the systems would provide if all service had been credited in that system.
- (2) If the total computation exceeds either (a) or (b) above, then each retirement system shall reduce the benefits to be paid by it in the proportion its benefits represent of total computed benefits.
- I. Membership in any state, municipal, or parochial retirement system for which his employment makes him eligible for membership shall not be denied any employee by reason of attained age if his credited service in another state, municipal, or parochial retirement system, together with his prospective employment in that system until normal retirement age, would make him eligible for regular retirement benefits.
- J. A board of trustees shall have the right to modify or terminate any transfer agreement it has entered into with another system where necessary to comply with this or any future law, or to reflect a policy of the board which is in compliance with laws enacted by the legislature and each board shall adopt such rules and regulations as are necessary to carry out the provisions and intent of this Section. Each board

§143. Transfers between systems

of trustees shall adopt such rules and regulations and establish such records and procedures of proof, not in conflict herewith, as are necessary to carry out the provisions and intent of this Section.

- K. In those retirement systems where thirty-six months or three years is used in the computation of average compensation, the average salary shall be computed on the actual time in the retirement system when the person has less than thirty-six months of service but eighteen or more months of service credit.
- L. Prior to retirement from any system, a member may cancel an application for reciprocal recognition of service credit by notifying in writing each system in which he has credit of his cancellation of his application.

Added by Acts 1970, No. 36, §2. Amended by Acts 1971, No. 167, §1; Acts 1972, No. 46, §1; Acts 1975, No. 548, §1; Acts 1976, No. 416, §1, eff. Jan. 1, 1977; Acts 1978, No. 344, §1; Acts 1979, No. 103, §1; Acts 1985, No. 620, §1; Acts 1990, No. 50, §1; Redesignated from R.S. 42:697 by Acts 1991, No. 74, §3, eff. June 25, 1991; Acts 1992, No. 209, §1; Acts 1997, No. 932, §1, eff. retroactive to Oct. 24, 1995.

NOTE: SEE ACTS 1984, No. 733, §2.

§143. Transfers between systems

- A. As provided in Subsection G of this Section, any person who is in active service and is a member of any public retirement or pension system, fund, or plan maintained primarily for officers and employees of the state of Louisiana or of any political subdivision thereof, or of any district, board, commission, or other agency of either, or of any other such public entity who has been a member of such system, fund, or plan for at least six months and who has membership credit in or who transferred service credit from any other such system, fund, or plan shall have the option of transferring all of his credit from every such system, fund, or plan to the system, fund, or plan he is currently contributing to or to the system to which he last contributed.
- B. All credit that the employee had in the system, fund, or plan from which he is transferring, whether regular service credit, prior service credit, military service credit, or other credit, shall be transferred, except as provided below:
 - (1) In the event that the member has six months or more of concurrent service in the transferring and receiving systems, the concurrent service in the transferring system and the funds attributable to such service shall remain in the transferring system.
 - (2) In the event that the member has less than six months of concurrent service in the transferring and receiving systems, the concurrent service in the transferring system shall be canceled and the funds attributable to such service shall be transferred to the receiving system.

§143. Transfers between systems

- C. Except as provided in Paragraph D(6) of this Section and notwithstanding any provision of law to the contrary, the system, fund, or plan from which the person transfers such credit shall transfer to the receiving system, fund, or plan an amount which is the lesser of the following:
- (1) The greater of, the actuarial cost to the receiving system for the service transferred, or all employee contributions from the transferring system.
 - (2) All employee contributions, all employer contributions, provided that in any system, fund, or plan, where the employer contribution is not a fixed percentage of the employee's earnings, an employer contribution which is equal to the employee contribution, in addition to a sum, representing interest, equal to the board-approved actuarial valuation rate of the transferring system, fund, or plan compounded annually, of all contributions per annum for each year of contribution to the date of transfer.
- D. (1) In the event that the amount of funds transferred is less than the actuarial cost of the service transferred in the receiving system, the person transferring, except as provided for herein, shall pay the deficit or difference including the interest thereon at the board-approved actuarial valuation rate of the receiving system.
- (2) In lieu of paying the deficit or difference plus interest, the person may at his option, but only at the time of transfer, be granted an amount of credit in the receiving system, fund, or plan which is based on the amount of funds actually transferred by the transferring system, fund, or plan plus any additional funds less than the deficit paid by the member.
 - (3) If the person transferring had any free service credit in the transferring system, he may transfer said service to the receiving system, but only upon payment of the employer and employee contributions that would have been paid if he had been a member of the receiving system at the time of service, plus interest thereon at the board approved actuarial valuation rate of the receiving system from date of such service until paid.
 - (4) Except as provided in Paragraph (5) of this Subsection, in the event that a person completes a transfer under the provisions of this Section, the retirement percentage factor of the transferring system shall be used to calculate his retirement benefit based on the number of years transferred.
 - (5) If the accrual rate of the receiving system is greater than the accrual rate of the transferring system, a person executing a transfer pursuant to the provisions of this Section may elect to purchase the accrual rate of the receiving system applicable to the member on the date of such purchase for the purpose of applying that accrual rate to the transferred service credit by paying an amount calculated on an actuarial basis which totally offsets the increase in accrued liability of the receiving system resulting from the accrual rate adjustment.

§143. Transfers between systems

- (6) Any member of the Louisiana judiciary who took office prior to July 1, 1986, and who transfers service credit from the District Attorneys' Retirement System to another retirement system shall not be required to pay the actuarial cost for such transfer between systems, and the actuarial cost of such transfer shall be paid from the interest earnings of the receiving system which exceed the actuarially projected interest earnings in the fiscal years following such transfer.
- E. After the date on which the transfer is completed, the system, fund, or plan from which the member transfers shall have no future liability with respect to the person who transferred.
- F. (1) (a) Except as provided in Paragraph (2) of this Subsection, any member who transfers credit to the system, fund, or plan to which he last contributed shall be subject to the provisions of this Paragraph.
- (b) A member shall be allowed to execute a reverse transfer only one time, and the transfer must be executed immediately prior to retirement from the receiving system.
- (c) The request for a reverse transfer shall be accompanied by the member's application for retirement from the receiving system. On the day of the transfer, the member must terminate employment that made him eligible to be a member of the transferring system, and the member's date of retirement shall be made effective on the next business day following the transfer.
- (d) The member shall be allowed to apply such transferred credit toward attainment of the retirement eligibility requirements of the receiving system.
- (e) Any member who would not be eligible to retire from the receiving system after the transfer shall not be eligible to execute such a transfer under the provisions of this Paragraph.
- (f) Any member who executes a reverse transfer and is reemployed by an employer who is covered by the transferring system shall be ineligible for membership in the transferring system after the effective date of the transfer.
- (g) After the transfer is executed, the member who is transferring credit shall be ineligible for active contributing membership in the receiving system, unless the member is both:
- (i) Employed in a capacity which would require membership in the receiving system as a condition of employment.

§143. Transfers between systems

- (ii) Compliant with all applicable provisions of law regarding the reemployment of a retiree.
- (h) A reverse transfer shall be subject to the provisions of Subsection D of this Section.
- (2)
 - (a) The provisions of this Paragraph shall apply only to persons who are not state employees and only to applications for transfer submitted to the receiving system on or before December 31, 2013.
 - (b) Any person to whom this Section applies may execute a reverse transfer from the retirement system to which he is currently contributing to any other system to which he previously contributed if at the time he began contributing to the current system he was legally permitted to elect instead to remain a contributing member of the previous system.
 - (c) The member shall be allowed to apply such transferred credit toward attainment of the retirement eligibility requirements of the receiving system.
 - (d) After the transfer is complete, the member shall be an active, contributing member of the receiving system.
- G.
 - (1) Each board of trustees or other such governing board shall adopt such rules and regulations, not in conflict herewith, as are necessary to carry out the provisions and intent of this Section and to prevent any duplication of credit.
 - (2) No governing authority shall approve a transfer in which the transferred amount is less than one hundred percent of the increase in accrued liability to the receiving system created by such transfer; however, the person can pay the difference in the assets to be transferred and the actuarial cost to the receiving system.
 - (3) The transfer of service credit and funds out of a system shall be at the sole option of the member.
- H.
 - (1) A member of a receiving system, fund, or plan must make a written application to the receiving system, fund, or plan requesting a transfer under this Section.
 - (2)
 - (a) In the event that a member dies after a written application for a transfer under this Section is received in the office of a receiving system, fund, or plan which normally accepts such transfers, such system, fund or plan shall complete the transfer, and it shall be considered as completed the day before the death of the member.
 - (b) A survivor, heir, or the estate of a deceased person or member shall not be allowed to request a transfer under this Section.

§144. Repayment of refunded contributions

Acts 1984, No. 733, §1; Acts 1985, No. 462, §1; Acts 1987, No. 725, §1; Acts 1988, No. 749, §1; Acts 1990, No. 233, §1; Redesignated from R.S. 42:697.1 by Acts 1991, No. 74, §3, eff. June 25, 1991; Acts 1995, No. 1112, §1; Acts 1997, No. 582, §1, eff. Jan. 1, 1999; Acts 1997, No. 1201, §1, eff. July 15, 1997; Acts 2001, No. 1079, §2, eff. July 1, 2001; Acts 2013, No. 220, §3, eff. June 11, 2013; Acts 2013, No. 365, §1 eff. June 30, 2013.

NOTE: SEE ACTS 1984, No. 733, §2.

§144. Repayment of refunded contributions

- A. For purposes of R.S. 11:142 and 143, a member of any state, parochial, or municipal retirement system having credit for at least six months in any such system may repay refunded contributions, plus compounded interest at the board-approved actuarial valuation rate thereon from date of refund until paid, to any other state, parochial, or municipal retirement system in order to reestablish such credited service.
- B. In lieu of repaying refunded contributions to reestablish credit in the system to which he previously belonged, a member of the Louisiana State Employees' Retirement System who has received a refund of contributions from the Employees' Retirement System of Baton Rouge may purchase directly from the Louisiana State Employees' Retirement System all or a portion of the service he had accrued in the municipal system. The member shall pay to the system for the service credit to be purchased all actuarial costs of such purchase calculated on an actuarial basis in accordance with R.S. 11:158(C), and the member shall be granted an amount of service credit in the system based on such payment.

Added by Acts 1972, No. 47, §1. Amended by Acts 1976, No. 416, §1, eff. Jan. 1, 1977; Acts 1979, No. 103, §1; Acts 1984, No. 733, §1; Acts 1989, No. 213, §1; Acts 1990, No. 104, §1, eff. June 29, 1990; Redesignated from R.S. 42:697.2 by Acts 1991, No. 74, §3, eff. June 25, 1991; Acts 2003, No. 1234, §1.

§144.1. Repayment of refunded contributions; merged retirement systems

Any person who: (1) was a member of a public retirement system, and (2) who terminated his membership in such system and received a refund of contributions, and (3) who thereafter becomes a member of a state or statewide public retirement system shall be eligible to repay the refunded contributions to the system in which he is an active contributing member, provided the system from which the member received the refund has been merged into his current system and the former system is not in existence with respect to receiving the repayment of refunds. Any such repayment of refunds, and the credit granted relative thereto, shall be on an actuarial basis and in compliance with all other pertinent laws governing the repayment of refunds to the extent that such laws do not conflict with the provisions set forth in this Section.

Added by Acts 1995, No. 1234, §1.

§145. Creditable service of certain elected officials

- A. Notwithstanding any other provision of law to the contrary, any person who is now or who hereafter is elected to public office and who is now or hereafter becomes

§146. Credit for certain Louisiana State University service

a member of the Louisiana State Employees' Retirement System or any other retirement system for public employees which is supported in whole or in part out of funds of the state of Louisiana or of any parish, municipality, or other political subdivision thereof and who loses any one or more months of creditable service in such system or systems by reason of the adoption of Act 569 of 1966 or any other legislation heretofore or hereafter enacted which shortens or has the effect of shortening a term of office to which such person is elected shall be granted a credit in such retirement system or systems equal to the creditable service lost for such cause. In order to obtain such credit the member shall make application therefor to the board of trustees of the retirement system of which he is a member and shall submit evidence of the period for which he seeks credit and the reason or reasons therefor. In addition, the member shall pay into the system employee and employer contributions equal to the amount of such contributions that would have been paid had he not lost said period of service in the manner hereinabove specified.

- B. Any member of the legislature who transferred service credit from the Parochial Employees' Retirement System into this system shall be eligible to transfer such service credit from this system to the Parochial Employees' Retirement System, provided such service credit is transferred on an actuarial basis.

Added by Acts 1978, No. 727, §10, eff. Jan. 1, 1979. Amended by Acts 1981, No. 476, §1; Redesignated from R.S. 42:697.3 by Acts 1991, No. 74, §3, eff. June 25, 1991; Acts 1995, No. 1112, §1.

§146. Credit for certain Louisiana State University service

- A. Any person who is now and has been a contributing member for at least eighteen months of any actuarially funded retirement system in this state which is supported in whole or in part with public funds shall be eligible to obtain credit in the system of which he is a member for all service rendered with Louisiana State University during that period of time when the university had a nonfunded university retirement plan, or during that period of time when the member was in a retirement system for federal employees, if such person had at least eighteen months of service with Louisiana State University during such time or at least eighteen months in a retirement system for federal employees, provided the member pays into the system an amount which on an actuarial basis, totally offsets the increase in accrued liability of the system resulting from the purchase of the service credit. The amount payable shall be calculated by use of the actuarial funding method, assumptions, and tables in use by the system at the time of the purchase of the service credit. However, the service hereby purchased shall not include military service credit.
- B. In order to receive such credit, the member shall make application to the governing authority of the system in which he seeks to obtain the credit and shall furnish a detailed statement of all service for which credit is claimed, in such form as the board requires.

§147. Elected public officials serving less than a full term of office

C. Credit obtained under the provisions of this Section shall be usable solely for purposes of meeting the eligibility requirements for retirement from the system of which the person is a member.

Added by Acts 1978, No. 712, §1; Acts 1990, No. 239, §1; Redesignated from R.S. 42:697.4 by Acts 1991, No. 74, §3, eff. June 25, 1991.

§147. Elected public officials serving less than a full term of office because of the 1974 Constitution of Louisiana

Notwithstanding any other provision of law to the contrary, but in accordance with applicable laws relative to the receipt of service credit which are not in conflict herewith, any elected public official who was elected to and served a full term of office, but whose term of office was less than a full normal period as a result of the adoption of the 1974 Constitution of Louisiana, shall receive, without the necessity of additional contributions therefor, service credit in the applicable public retirement system of which he is a member, for the full number of years which he would have served during such term but for the adoption of the 1974 Constitution of Louisiana.

Added by Acts 1979, No. 128, §1; Redesignated from R.S. 42:697.5 by Acts 1991, No. 74, §3, eff. June 25, 1991.

§148. Membership age limitations

A. (1) (a) The purpose of this Section is to provide uniform membership age limitations for public retirement systems and pension funds.

(b) The provisions of this Section are applicable with respect to all retirement systems and pension funds maintained basically for public officers and employees of the state, its agencies, and political subdivisions.

(c) The provisions of this Section take precedence over any conflicting provisions contained within the laws governing the retirement systems and pension funds referenced in Subparagraph (b) of this Paragraph, provided that the restrictions contained herein shall be inapplicable with respect to elected public officials.

(2) Except as provided in Subsection B of this Section, any person under the age of sixty years, who is otherwise eligible, shall, as a condition of employment, belong to the retirement system or pension fund referenced in Subparagraph (b) of Paragraph (1), which is applicable to his employment.

B. The provisions of Subsection A of this Section shall be inapplicable with respect to any employee whose retirement would be governed by the Louisiana State Police Retirement System, the Municipal Police Employees' Retirement System or any other public retirement system or plan maintained for law enforcement personnel or firefighters, the Sheriffs' Pension and Relief Fund, the provisions within the Louisiana State Employees' Retirement System governing employees of the Department of

Public Safety and Corrections or the provisions within the Louisiana Employees' Retirement System governing wildlife and fisheries agents, R.S. 11:581 et seq.

- C. (1) Any person who on September 7, 1979, is over sixty years of age and who is not a member of a system or fund referenced in Subparagraph (b) of Paragraph (1) solely by reason of being over the former applicable age limit for membership at the time of employment, but who was less than sixty years of age at said time of employment, may, at his option, become a member of such system or fund if it is possible for him to gain a minimum of ten years credit by the end of the fiscal year in which he attains the age of seventy years.
- (2) Any person who becomes a member under authority of this Subsection may receive credit in his system or fund for such service rendered prior to becoming a member. In order to receive this credit, there shall be paid into the system or fund, within one year of becoming a member, a sum equal to the employee and employer contributions that could have been paid had such person been a member at the time the service was rendered, based on contribution rates in effect at the time of application for credit, plus five percent interest thereon, compounded annually from date of service until paid. The employer shall pay the employer contributions plus interest thereon, but only if the employer did not pay social security or any other type of retirement on behalf of the employee.
- D. The mandatory membership requirements set forth in this Section shall be inapplicable with respect to any person who on September 7, 1979, was publicly employed and who on said date was under the age of sixty years but who was over the membership age limitation at the time of employment, for so long as such person continues in public employment covered by the retirement system which was applicable to his employment on September 7, 1979. Continued membership after September 7, 1979, for any such person shall be optional with such person. If an election is made to withdraw, it shall be irrevocable. If an election is made to withdraw on or before September 12, 1981, the retirement system shall return to any such person an amount equal to his employee contributions.

Added by Acts 1979, No. 567, §1. Amended by Acts 1980, No. 836, §1; Acts 1982, No. 194, §1; Redesignated from R.S. 42:697.6 by Acts 1991, No. 74, §3, eff. June 25, 1991; Acts 2006, No. 770, §1, eff. June 30, 2006; Acts 2012, No. 227, §1, eff. August 1, 2012.

NOTE: See Acts 2004, No. 7, §6, providing that the Act shall not affect or change any law relative to retirement or retirement or survivor benefits of employees of the Dept. of Public Safety and Corrections.

§149. Reemployment of retirees

- A. Notwithstanding any other provision of law to the contrary, any person who retires from employment with a department of state government as defined in Title 36 of the Louisiana Revised Statutes of 1950, shall, upon reemployment by the same department of state government, be governed, with respect to retirement, by the laws governing the retirement system from which he retired.

- B. Any person who retires under any early retirement incentive plan of the state of Louisiana for state employees shall not be reemployed by any department of state government for two years after the effective date of their retirement. The provisions of this Subsection shall not apply to seasonal fire fighting personnel employed by the office of forestry in the Department of Agriculture and Forestry, and election-related personnel in the Department of State. Reemployment of election personnel shall not exceed six weeks prior to an election and two weeks following an election.

Added by Acts 1980, No. 811, §1; Acts 1987, No. 487, §1; Redesignated from R.S. 42:697.7 by Acts 1991, No. 74, §3, eff. June 25, 1991. Acts 2001, No. 451, §6, eff. Jan. 12, 2004.

§150. Reciprocal recognition; applicability

As used in R.S. 11:142 and 144 with respect to reciprocal recognition of retirement credit, the phrase “any state, municipal, or parochial retirement system” includes any public retirement system, plan or fund created or authorized to be created by any law of the state of Louisiana or by any law governing any political subdivision thereof, and specifically includes the city of New Orleans Employees’ Retirement System and any other retirement system, plan or fund created under authority of the Home Rule Charter of the City of New Orleans for public employees. The provisions of this Section are retroactive to January 1, 1977.

Added by Acts 1980, No. 798, §2, eff. Aug. 1, 1980. Amended by Acts 1980, No. 836, §1; Redesignated from R.S. 42:697.8 by Acts 1991, No. 74, §3, eff. June 25, 1991.

§151. Worker’s compensation benefits; employee and employer contributions to continue

- A. Beginning September 1, 1989, whenever any member of the Louisiana State Employees’ Retirement System is receiving worker’s compensation benefits while an employee and is not receiving normal service credit in the system, that member shall receive service credit for eligibility determination purposes, however this service shall not be used for computation of the retirement benefit.

- B. Whenever any member of the Teachers’ Retirement System of Louisiana, or the Louisiana School Employees’ Retirement System is receiving worker’s compensation benefits, but has not retired for disability the employee may pay contributions based on a salary not to exceed the greater of his worker’s compensation benefit received from his employer or his salary at the time of qualification for worker’s compensation benefits. He shall only receive pro rata service credit during any period in which

– Revised Statutes –
§153. Credit for military service

the employee contributions are less than that which would have been contributed if based on the salary at the time of qualification for worker's compensation benefits. The employer shall pay the employer's contribution based on the amount on which the employee's contributions are based.

Added by Acts 1981, No. 416, §1; Acts 1983, 1st Ex.Sess., No. 1, §6; Acts 1987, No. 600, §1, eff. July 1, 1987; Acts 1988, No. 683, §1; Acts 1989, No. 582, §1; Redesignated from R.S. 42:697.9 by Acts 1991, No. 74, §3, eff. June 25, 1991.

§152. Military service credit

- A. The provisions of this Section are applicable to persons who become members of the public retirement systems listed in Subsection B of this Section after January, 1982.
- B. The provisions of this Section shall be applicable to all public state, parochial, and municipal retirement systems established by state law.
- C. If credit for military service is otherwise allowed by a retirement system set forth in Subsection B of this Section, it shall only be allowable for members who leave employment covered by the retirement system to which they belong to enter the military service, and who return to employment covered by a system set forth in Subsection B within one year after release from such military service. In other respects, the terms and conditions of the receipt of such credit shall be controlled by the law governing each particular retirement system.

Added by Acts 1981, No. 889, §1, eff. Jan. 1, 1982. Amended by Acts 1982, No. 769, §2; Redesignated from R.S. 42:697.10 by Acts 1991, No. 74, §3, eff. June 25, 1991.

§153. Credit for military service

- A. Any member of a state or statewide public retirement system shall be eligible to purchase credit for regular or nonregular military service, subject to the provisions of this Section.
- B. For purposes of this Section:
 - (1) Regular military service shall mean any state or federal full-time active duty military service.
 - (2) Nonregular military service shall mean any state or federal military service, which is not regular service, for which retirement points are assigned for participation in such service, and shall include but not be limited to duty served in the state national guard, coast guard, or any reserve component of the United States armed forces.
- C. (1) (a) Any member shall be entitled to purchase credit for up to four years of either regular or nonregular military service, or a combination of both

– Revised Statutes –
§153. Credit for military service

not exceeding four years total, provided an application is filed with the appropriate retirement system, together with proof of the inclusive dates of military service performed.

- (b) Credit for regular service shall be based on one day of retirement credit for each day of full-time active duty service.
- (c) (i) Credit for nonregular service shall be based on one day of retirement credit for each one of the member's accrued retirement points.
 - (ii) Any member seeking to purchase credit for nonregular military service shall also submit with his application to purchase such credit an official copy of the record of his retirement points as maintained by the member's respective military branch.
- (2) In order to purchase such credit for military service, the member shall pay into the system the amount required under the provisions of R.S. 11:158. The amount to be paid shall be paid in one lump sum or in such installments as shall be agreed upon by the member and the system's board of trustees, but such amount shall be paid in full within three years after the date of application for such credit.
- D. (1) No member shall be entitled to purchase credit for military service if he has previously received credit for such service in any other public retirement system domiciled in this state if he is receiving any form of retirement benefits from that system.
 - (2) (a) (i) Except as provided in Subparagraph (b) of this Paragraph, no member shall be entitled to purchase credit for military service if he has previously received credit for such service in any retirement system for members of the armed forces of the United States from which plan the member is drawing a regular retirement benefit.
 - (ii) The restriction set forth in this Subparagraph shall not apply to members who are drawing disability benefits based on twenty-five percent or less disability received as a result of military service.
 - (b) Any member who is receiving retirement benefits pursuant to the provisions of Chapter 1223 of Title 10 of the United States Code shall be eligible to purchase credit for military service pursuant to the provisions

of this Section, and any such service being purchased may be regular or nonregular service, provided that the service being purchased was rendered prior to the initial date of employment which made him eligible to participate in the applicable Louisiana state or statewide public retirement system.

E. (1) (a) Except as otherwise provided in this Paragraph, military service shall not be used for purposes of acquiring eligibility for disability or survivor's benefits and shall only be used for purposes of acquiring eligibility for normal retirement benefits.

(b) Notwithstanding the provisions of Subparagraph (a) of this Paragraph or any other provision of law to the contrary, any retiree who has earned benefits equal to one hundred percent of his average compensation shall be eligible to purchase credit on an actuarial basis under the provisions of this Section, but only for the limited purpose of using such credit for survivor benefits.

(2) In those systems which authorize retirement with twenty or more years of service at any age, or twenty or more years of service at age fifty, military service credit shall not be computed until after the completion of twenty full years of service. In addition, such military service credit shall not be used to meet the minimum eligibility requirement of any regular retirement of less than twenty years.

F. Military service credit shall not be used as the highest thirty-six successive months, or as the highest thirty-six joined months of employment where interruption of service occurred, in computing the average compensation for retirement benefit computation.

G. No member who has been released or discharged from service under less than honorable conditions shall be eligible to purchase credit for military service pursuant to the provisions of this Section.

H. Notwithstanding any provision of law to the contrary, a member of either the Municipal Police Employees' Retirement System or the Sheriffs' Pension and Relief Fund shall be entitled to purchase or receive credit for military service pursuant to this Section regardless of whether he has previously received credit for such service in any retirement plan for members of the armed forces of the United States, from which plan the member is drawing a regular retirement benefit, based on age and service.

§153.1. Repealed by Acts 2001, No. 419, §2, eff. July 1, 2001

- I. Each state and statewide public retirement system shall cause to be promulgated such regulations as are necessary for the administration of purchases made pursuant to this Section.
- J. (1) All purchases of credit for regular military service and service in the state national guard or reserve forces of the United States that were transacted on or before June 30, 1999, shall be governed by the provisions of R.S. 11:153 as that law was in force and effect on the date of the purchase.

(2) All purchases of credit for service in the state national guard, coast guard, or reserve forces, which are or were transacted between July 1, 1999 and June 30, 2001, both inclusive, shall be governed by the provisions of R.S. 11:153.1 as that law was in force and effect on the date of the purchase.

(3) The provisions of this Section shall apply to all purchases of credit for any military service transacted on and after July 1, 2001.
- K. Notwithstanding the provision of this Section or any other provision of the law to the contrary, military service shall be used for the purpose of acquiring eligibility for normal benefits for those members in the Teachers Retirement System of Louisiana with twenty years of service at age sixty-five who are veterans of the Korean Conflict employed by a public school system in a parish with a population of four hundred twenty-five thousand or more and who retired between June first and June fifteenth, 2000, and who received written correspondence from the system during the month of July, 2000, regarding the system's incorrect calculation of benefits, and as to those members the prohibition against computing the military service credit until after completion of twenty full years of service shall not apply.
- L. Terminated by Acts 2003, No. 1183, eff. June 30, 2005.

Added by Acts 1982, No. 769, §1; Acts 1985, No. 858, §1, eff. July 23, 1985; Acts 1991, No. 205, §1; Acts 1991, No. 607, §1; Redesignated from R.S. 42:697.11 by Acts 1991, No. 74, §3, eff. June 25, 1991; Acts 1992, No. 255, §1; Acts 1995, No. 131, §1; Acts 1997, No. 348, §1, eff. June 20, 1997; Acts 2001, No. 419, §1, eff. July 1, 2001; Acts 2001, No. 1035, §1; Acts 2001, No. 1039, §1; Acts 2003, No. 1183, §1, eff. July 1, 2003.

§153.1. Repealed by Acts 2001, No. 419, §2, eff. July 1, 2001

§154. Tax sheltering of employee contributions to retirement

- A. The provisions of this Section shall be applicable to the following public retirement systems and pension funds:
 - (1) Louisiana State Employees' Retirement System.
 - (2) Louisiana State Police Retirement System.

§154. Tax sheltering of employee contributions to retirement

- (3) Louisiana School Employees' Retirement System.
 - (4) Louisiana School Lunch Employees' Retirement System.
 - (5) Louisiana Teachers' Retirement System.
 - (6) Assessors' Retirement Fund.
 - (7) Clerks' of Court Retirement and Relief Fund.
 - (8) District Attorneys' Retirement System.
 - (9) Municipal Employees' Retirement System of Louisiana.
 - (10) Parochial Employees' Retirement System of Louisiana.
 - (11) Registrar of Voters Employees' Retirement System.
 - (12) Sheriffs' Pension and Relief Fund.
 - (13) Municipal Police Employees' Retirement Systems.
 - (14) Firefighters' Retirement System.
 - (15) Harbor Police Retirement System (Port of New Orleans).
- B. Each board may adopt a plan whereby the employee's contributions to the retirement system shall not be included in the employee's gross income for computation of the taxes under the provisions of the United States Internal Revenue Code. The plan shall provide that the employer pay the employee's share of the contributions directly to the retirement system. The contributions shall be treated as employer contributions only for the purposes of the Internal Revenue Code.
- C. After the adoption of the plan by the board, the employer shall pay the amount of the contribution by a reduction in the salary of the employee or an offset against future salary or a combination of both. These funds shall be paid from the same source of funds which is used in paying earnings to the employee. The employee's participation in the plan shall not be optional.
- D. Repealed by Acts 1997, No. 689, §2, retroactive to Jan. 1, 1993.
- E. Any deductions from an employee's gross income, during the highest thirty-six consecutive months of employment prior to retirement, for purposes of tax sheltering said deductions under the provisions of this Section shall be included in the base from which retirement benefits are to be computed for the purposes of ascertaining an employee's average compensation.

Added by Acts 1982, No. 843, §1, eff. Aug. 4, 1982; Redesignated from R.S. 42:697.12 by Acts 1991, No. 74, §3, eff. June 25, 1991; Acts 1997, No. 689, §2, retroactive to Jan. 1, 1993; Acts 1998, 1st Ex. Sess., No. 97, §1, eff. May 5, 1998; Acts 2012, No. 227, §1, eff. August 1, 2012.

§155. Receipt of benefits

Notwithstanding any other provisions of law to the contrary and specifically the laws governing all public, state, municipal, or parochial retirement systems, allowing “optional allowances”, no member, retiree, beneficiary, or survivor shall be entitled to receive his benefit in a lump sum, or actuarial equivalent lump sum, or a lump sum of equivalent actuarial value and shall only receive his benefit in equal monthly benefits payable throughout life or the legally allowed time if a shorter time is specified by the laws governing the specific retirement system, except as provided in R.S. 11:446, 783, 1150, or 1307. This Section shall not apply to the return of accumulated contributions without interest if a person terminates employment and requests such a refund under the laws applicable to the systems.

Added by Acts 1982, No. 681, §1; Redesignated from R.S. 42:697.13 by Acts 1991, No. 74, §3, eff. June 25, 1991; Acts 1995, No. 1110, §1, eff. Jan. 1, 1996.

§156. Deduction of employee benefit contributions from retiree benefit checks

Notwithstanding any other provision of law to the contrary, the employee contributions for accident and health and life insurance coverage to be payable by any member, retiree, beneficiary, or survivor participating in the Office of Group Benefits programs pursuant to Chapter 12 of Title 42, R.S. 42:801 et seq., who receives a recurring benefit payment from any public, state, municipal, or parochial retirement system shall be deducted from the retirement benefit payment. Such deductions shall be effected by the use of computer tapes prepared and furnished by the Office of Group Benefits in a form processible by the computer facility which prepares the monthly benefit payment. The retirement system shall remit such deductions directly to the Board of Trustees of the State Employees Group Benefits Program.

Added by Acts 1983, No. 259, §1; Redesignated from R.S. 42:697.14 by Acts 1991, No. 74, §3, eff. June 25, 1991; Acts 2001, No. 1178, §1, eff. June 29, 2001.

§157. Firefighters’ Retirement System; Municipal Police Employees’ Retirement System; optional membership; refund of employee contributions; irrevocable election; reenrollment

Editor’s note: This section applies only to the Firefighters’ Retirement System and Municipal Police Employees’ Retirement System and has been intentionally omitted.

§158. Service credit in state and statewide systems; price

- A. (1) Effective July 1, 1986, the provisions of this Section shall govern the payment required with respect to the otherwise authorized purchase of service credit in the public retirement or pension systems, funds, and plans referenced in Subsection B of this Section.

- (2) This Section does not repeal provisions relative to the purchase of service credit contained within the laws governing the covered systems, or which are otherwise applicable thereto, but it is to be controlling in cases of conflict as to the payment required in order to receive the credit.

§158. Service credit in state and statewide systems; price

- (3) This Section is inapplicable with respect to the purchase of service credit which is in the form of a repayment of a refund.
- B. The provisions of this Section are applicable to the following public retirement or pension systems, funds, and plans:
- (1) Assessors Retirement Fund.
 - (2) Clerks' of Court Retirement and Relief Fund.
 - (3) District Attorneys' Retirement System.
 - (4) Firefighters' Pension and Relief Fund in the City of New Orleans.
 - (5) Firefighters' Retirement System.
 - (6) Louisiana School Employees' Retirement System.
 - (7) Louisiana State Employees' Retirement System.
 - (8) Municipal Employees' Retirement System of Louisiana.
 - (9) Municipal Police Employees' Retirement System.
 - (10) Parochial Employees' Retirement System of Louisiana.
 - (11) Registrars of Voters Employees' Retirement System.
 - (12) Sheriffs' Pension and Relief Fund.
 - (13) Louisiana State Police Retirement System.
 - (14) Teachers' Retirement System of Louisiana.
- C. (1) In order for a purchase of service credit, which is otherwise authorized, to be effective, there shall be paid into the applicable retirement or pension system, fund, or plan the greater of either:
- (a) An amount which, on an actuarial basis, totally offsets the increase in accrued liability of the system resulting from the purchase of the credit.
 - (b) The employee and employer contributions that would have been paid to the applicable system, fund, or plan, plus interest thereon, compounded annually from the time the contributions would have been paid, at the assumed actuarial valuation rate of interest of the system, fund, or plan in which the credit is being purchased.

§159. State superintendent of education; commissioner of higher education; participation

- (2) (a) The amount payable shall be calculated based on the actuarial funding method, assumptions, and tables in use by the system at the time of application for credit.
- (b) The actuary may modify the assumptions utilized to reflect the effects of anti-selection.

D. Repealed by Acts 1991, No. 205, § 2; Acts 1991, No. 607, § 2.

Acts 1986, No. 609, §1, eff. July 1, 1986; Acts 1991, No. 205, §2; Acts 1991, No. 607, §2; Redesignated from R.S. 42:697.16 by Acts 1991, No. 74, §3, eff. June 25, 1991; Acts 1992, No. 850, §1; Acts 1995, No. 753, §1; Acts 1995, No. 1112, §1; Acts 2008, No. 498, §1; Acts 2012, No. 227, §1, eff. August 1, 2012.

§159. State superintendent of education; commissioner of higher education; participation

The state superintendent of education and the commissioner of higher education shall not be required to participate in any public retirement system; however, they shall have the option of retaining membership in any state or statewide public retirement system for which they are eligible provided that their retirement benefit computation shall be in accordance with R.S. 11:231(B).

Acts 1988, No. 914, §1; Redesignated from R.S. 42:697.17 by Acts 1991, No. 74, §3, eff. June 25, 1991; Acts 1995, No. 961, §1, eff. June 17, 1995.

§160. Members employed in other public employment

Any person who is a member of the Louisiana State Employees' Retirement System, who has creditable membership service of at least ten years in this system, and who becomes an employee of a political subdivision where he is no longer eligible, through transfer of his employing agency, for membership in this system, but is eligible for membership in some other public retirement system, shall have the right to remain a member of this system in lieu of membership in the other retirement system by filing a notice of election to remain in this system, in writing, with the board of trustees within thirty days after the effective date of employment, or September 7, 1990, whichever is later. Such election shall be irrevocable. The non-participating employer shall contribute to the Louisiana State Employees' Retirement System as if it were a participating employer.

Acts 1990, No. 7, §1; Redesignated from R.S. 42:697.18 by Acts 1991, No. 74, §3, eff. June 25, 1991.

§161. Members employed in other state or public employment

Notwithstanding any provision of law to the contrary, when a state employee who is in the classified service is granted an unpaid leave of absence for the purpose of allowing that employee to accept another position of state employment, that employee shall remain a member of the retirement system in which the employee was a member while serving in the classified service. Such election shall be irrevocable. The employer shall

§162. Classes of employees not eligible for membership

transmit both the employee and employer contributions to the appropriate retirement system on behalf of the state employee.

Acts 1991, No. 499, §1, eff. July 15, 1991; Redesignated from R.S. 42:697.19 by Acts 1991, No. 74, §5, eff. June 25, 1991.

§162. Classes of employees not eligible for membership

- A. The provisions of this Section shall apply to the Louisiana State Employees' Retirement System, the Teachers' Retirement System of Louisiana, the Louisiana State Police Retirement System, and the Louisiana School Employees' Retirement System.
- B. Any other provision of law notwithstanding, as of July 1, 1991, any employee who is a part-time, seasonal, or temporary employee as defined in 26 CFR 31:3121(b)(7)-2, or in any successor regulation, shall not be or become a member of any system to which this Section applies, except as provided for in Subsection C of this Section.
- C. (1) Except as provided in this Subsection, membership shall be required for a part-time, seasonal, or temporary employee as defined in 26 CFR 31:3121(b)(7)-2, or in any successor regulation, who on July 1, 1991, or thereafter, has or earns ten or more years of creditable service in his current system.
 - (2) (a) For purposes of this Paragraph, the Board of Elementary and Secondary Education shall promulgate rules in conformity with the Administrative Procedure Act, R.S. 49:950 et seq., to be reviewed by the House and Senate Committees on Retirement, defining "classroom teacher".
 - (b) Membership shall be required for a part-time, seasonal, or temporary classroom teacher who has or earns five or more years of creditable service in the Teachers' Retirement System of Louisiana.
- D. Repealed by Acts 2014, No. 680, §2, eff. June 30, 2014.
- E. (1) Notwithstanding any provision of law to the contrary, no person employed in a position in an unclassified health care professional employee pool established pursuant to R.S. 17:1519.16 shall be or become a member of any system to which this Section applies.
 - (2) The employer shall notify each person being employed in a position in an unclassified health care professional employee pool of his ineligibility for membership in any system to which this Section applies. Each person employed in a position in an unclassified health care professional employee pool shall sign an affidavit acknowledging his ineligibility for membership in any such system and stating that he has full knowledge that he is never to receive any retirement service credit for time worked in a position in an unclassified health care professional employee pool.

§163. Credit for involuntary furlough; credit for leave without pay

Acts 1991, 3rd Ex. Sess, No. 6, §1, eff. July 1, 1991; Redesignated from R.S. 42:697.19 by Acts 1991, No. 74, §5, eff. June 25, 1991; Acts 1992, No. 91, §1; Acts 1992, No. 267, §1; Acts 1997, No. 104, §1, eff. July 1, 1997; Acts 2003, No. 640, §1, eff. July 1, 2003; Acts 2005, No. 223, §1, eff. July 1, 2005; Acts 2012, No. 227, §1; Acts 2014, No. 680, §2, eff. June 30, 2014.

§163. Credit for involuntary furlough; credit for leave without pay

- A. (1) Any member of a state or statewide public retirement system who is involuntarily furloughed without pay due to the temporary closure of his employer or involuntarily furloughed or placed on leave without pay due to a gubernatorially declared disaster or emergency shall be entitled to purchase service and salary credit for each day of service that he was furloughed or on such leave if such service was not credited to his account. There shall be no duplication of credit under the provisions of this Section.
- (2) (a) Any member of a state or statewide public retirement system who is involuntarily furloughed without pay or placed on leave without pay on or after August 29, 2005, due to a gubernatorially declared disaster or emergency shall be entitled to purchase service and salary credit for each day of service during the period beginning on August 29, 2005, and ending on June 30, 2006, that he was furloughed or on such leave if such service was not credited to his account.
- (b) There shall be no duplication of credit under the provisions of this Section.
- (c) Any service and salary credit purchased pursuant to this Paragraph shall be subject to the following conditions and limitations:
- (i) The purchased service and salary credit may not be used for the purpose of meeting the minimum service requirements for disability retirement.
 - (ii) Compensation on which the required contributions for purchase of service and salary credit are based shall be the rate of compensation in effect for the last full pay period ending on or before August 29, 2005.
 - (iii) The right to purchase service and salary credit pursuant to this Paragraph shall not apply to routine personnel actions or separations which are not the direct result of a gubernatorially declared disaster or emergency.
 - (iv) Any dispute arising under the limitations of this Paragraph shall be resolved in the sole and exclusive discretion of the board of trustees of the retirement system.

§163. Credit for involuntary furlough; credit for leave without pay

- (d) The board of trustees of each state and statewide retirement system may adopt rules to implement the provisions of this Paragraph and Paragraph (C)(2) of this Section.
 - (e) All payment for service purchased pursuant to this Paragraph shall be remitted to the system on or before December 31, 2006.
- B. Any member of the Louisiana State Employees' Retirement System who is placed on or who voluntarily takes leave without pay shall be entitled to purchase service for credit for each day that he was on leave without pay, provided there is no duplication of service credit created by such purchase.
- C. (1) Except as provided in Paragraph (2) of this Subsection, any purchase of credit made pursuant to this Section shall be made by paying to the system an amount sufficient to offset any liability to the system, calculated on an actuarial basis in accordance with R.S. 11:158.
- (2) Notwithstanding the provisions of Paragraph (1) of this Subsection, a member who purchases service and salary credit pursuant to Paragraph (A)(2) of this Section shall pay to the system or to his employer the employee and employer contributions which would be remitted to the system by his employer if not for the involuntary furlough or leave without pay. Such contributions, if paid to the employer, shall be remitted by the employer to the system. The member shall remit the contributions in either of the following ways:
- (a) At the same time and in the same amount as such contributions would be due to the system if paid by the employer. Should the employee be delinquent in remitting such contributions, his delinquent payment shall be treated in the same manner as a delinquent payment from the employer pursuant to the provisions of R.S. 11:281; however, any such contributions from a member which would have been due before December 6, 2005 shall be considered to have been made timely if received by the system on or before the date on which contributions for service and salary credit for December 2005 are due.
 - (b) In a lump sum payment within thirty days of the member's return to work; however, any payment made pursuant to the provisions of this Subparagraph shall be remitted to the system on or before December 31, 2006. A delinquent payment shall be treated in the same manner as a delinquent payment from the employer pursuant to the provisions of R.S. 11:281.

Added by Acts 1992, No. 209, §1. Amended by Acts 2003, No. 866, §1, eff. July 1, 2003; Acts 2005, 1st Ex.Sess., No. 45, §1, eff. Dec. 6, 2005.

NOTE: See Acts 2005, 1st Ex. Sess., No. 45, §2, relative to retroactive application.

§ 163.1. Voluntary or involuntary furlough; service credit; continuation of contributions

§ 163.1. Voluntary or involuntary furlough; service credit; continuation of contributions

A. The provisions of this Section shall apply to the following state retirement systems:

- (1) Louisiana State Employees' Retirement System.
- (2) Teachers' Retirement System of Louisiana.

B. Any member of a system enumerated in Subsection A of this Section who is employed at a public college or university or by the governing board or management board of a public college or university and who is involuntarily furloughed without pay, or who voluntarily participates in such a furlough plan implemented as a result of budget reductions shall have the option of accruing service credit for any period of such furlough. The service credit accrued pursuant to this Section shall be used for calculation of benefits and for purposes of obtaining eligibility for retirement. The member shall pay the employee contributions to his employer at least monthly, and as otherwise provided by law, which the employer shall send to the system, and the employer shall pay to the system the contributions that would have been otherwise required. The amounts remitted by the employee and employer shall be based upon the amount the member's earned compensation would have been if not for the furlough. The earned compensation shall be taken into account for purposes of determining the member's average compensation.

C. Any service credit accrued pursuant to Subsection B of this Section together with any service credit purchased pursuant to R.S. 11:163 or 429 shall not exceed five years of service credit.

D. Any participant in the Optional Retirement Plan of the Teachers' Retirement System of Louisiana who is employed at a public college or university or by the governing board or management board of a public college or university and who is involuntarily furloughed without pay, or who voluntarily participates in such a furlough plan implemented as a result of budget reductions shall have the option of having remitted the employee and employer contributions which would have been remitted to the system as provided in R.S. 11:927 if not for the furlough. Both the employee and employer shall remit the required contributions pursuant to R.S. 11:927 based upon the amount the participant's earned compensation would have been if not for the furlough.

E. Any member to whom this Section applies and who avails himself of the provisions of this Section shall file an application for the continuation of contributions with the system. The system shall notify the employer of such application, and the employer shall provide any information requested by the system regarding the member's furloughed status and the duration of such furlough.

- F. The provisions of this Section shall not apply to furloughs which have been mandated as a result of a declaration of financial exigency or force majeure.
- G. The total number of furlough days to which this Section applies shall not exceed thirty days in any fiscal year.

Added by Acts 2009, No. 301, §1, eff. July 1, 2009.

§164. Part-time public officials

A. Except as provided in Subsection B of this Section, the following elected or appointed officials are hereby deemed to be part-time public servants who, based on such part-time service, shall not participate in, or receive credit for service in, any public retirement system, fund, or plan sponsored by the state of Louisiana or any instrumentality or political subdivision thereof:

- (1) Any legislator or any member of a school board, levee board, police jury, or parish council.
- (2) Any member of a city council, city-parish council, or town council or any alderman or any constable.
- (3) Any member of a board or commission established by the state of Louisiana or any instrumentality or political subdivision thereof.

B. (1) The provisions of Subsection A of this Section shall not apply to any person who is serving on January 1, 1997, in any elected or appointed position set forth in Subsection A of this Section and who is also a member on January 1, 1997, of a retirement system covering that position.

- (2) (a) For any person to whom Paragraph (1) of this Subsection applies and who is elected to the legislature on or after July 1, 2011, the accrual rate shall be two percent for any creditable service earned as a legislator on or after that date. Furthermore, the additional one percent accrual rate provided pursuant to R.S. 24:36(A) shall not apply to any such person.
- (b) The provisions of this Paragraph shall not apply to any person serving in the legislature on June 30, 2011.
- (c) The provisions of this Paragraph shall not apply to any person to whom R.S. 11:191(C) applies. For such persons, no service credit shall accrue for service as an elected member of the legislature.

C. The provisions of Subsection A of this Section shall not apply to participation in the Louisiana Public Employees Deferred Compensation Plan, or its successor.

Added by Acts 1996, 1st Ex.Sess., No. 59, §1, eff. Jan. 1, 1997. Amended by Acts 2011, No. 377, §1, eff. June 30, 2011.

§165. Funds or benefits payable to a succession

§165. Funds or benefits payable to a succession

When funds or benefits are payable to the succession of a deceased member or retiree of a state or statewide retirement system, the retirement system shall be considered an employer for purposes of R.S. 9:1515, and the funds or benefits may be paid to the surviving spouse or major child in accordance with that statute, regardless of whether the funds or benefits were payable to the deceased member or retiree himself, or only to his succession.

Added by Acts 1997, No. 8, §1, eff. July 1, 1997.

§166. Secretaries of appointed or elected chiefs of police; membership

Editor's note: This section applies only to the Municipal Employees' Retirement System and has been intentionally omitted.

§172. Submission of annual report; penalty

Subpart B. Actuarial Statements and Reports

§171. Submission of reports to legislature

- A. Each actuarially funded state, municipal, parochial, or other retirement system as supported in whole or in part by public funds shall submit to the chairmen of the standing committees on retirement of the House of Representatives and the Senate, at least thirty days prior to the beginning of each regular session of the legislature, a copy of the most recent official actuarial report prepared by the system's fully accredited actuarial firm, together with a financial statement of the system for the fiscal year immediately preceding each such session of the legislature. The actuarial report shall include but not be limited to an actuarial evaluation of the assets and liabilities of the system; actuarial assumptions and considerations; cost of living adjustment evaluations, where applicable; and a five-year projection of cash flow requirements, with the number of retirees and amounts of benefits based on an annual basis.
- B. Each state, municipal, parochial and other retirement system supported in whole or in part by public funds which is not actuarially funded shall submit to the chairman of the standing committees on retirement of the House of Representatives and the Senate, at least thirty days prior to the beginning of each regular session of the legislature, a certified statement of the condition of the system for the fiscal year immediately preceding each session of the legislature. The certified statement of condition shall include but not be limited to a statement of the assets and liabilities of the retirement system; cost of living adjustments, where applicable; and an estimated five-year projection of cash flow requirements with the number of retirees and amounts of benefits listed on an annual basis.

Added by Acts 1970, No. 38, §1; Redesignated from R.S. 42:698 by Acts 1991, No. 74, §3, eff. June 25, 1991.

§172. Submission of annual report; penalty

Each reporting agency or parish or city school board shall submit to their respective state, municipal, or parochial retirement system an annual sworn statement of all enrolled employees, the amount of their earnings, and all employee and employer deductions within thirty days after the close of the fiscal or accounting year. Should the reporting agency or parish or city school board fail to submit the reports within thirty days after the close of the fiscal or accounting year, the report shall be delinquent. If any errors are found in the annual report by the retirement system, such errors shall be corrected within fifteen days after notification, or the report shall be delinquent. The board of trustees of the retirement system may certify to the state treasurer or the Department of Education, whichever is applicable, that the report is delinquent. The state treasurer or the Department of Education may withhold all monies from state funds due such reporting agency or parish or city school board. Upon submission of the

§173. Audit reports; certified public accountants

report, the board of trustees of the retirement system shall notify the state treasurer or the Department of Education that the report has been submitted, whereupon the state treasurer or the Department of Education shall disburse the monies due the reporting agency or parish or city school board.

Added by Acts 1981, No. 423, §1; Redesignated from R.S. 42:698.1 by Acts 1991, No. 74, §3, eff. June 25, 1991.

§173. Audit reports; certified public accountants

A. This Section shall be applicable to the following public retirement systems:

- (1) Louisiana State Employees' Retirement System.
- (2) Louisiana State Police Retirement System.
- (3) Louisiana School Employees' Retirement System.
- (4) Teachers' Retirement System of Louisiana.
- (5) Assessors' Retirement Fund.
- (6) Clerks' of Court Retirement and Relief Fund.
- (7) District Attorneys' Retirement System.
- (8) Municipal Employees' Retirement System of Louisiana.
- (9) Parochial Employees' Retirement System of Louisiana.
- (10) Registrar of Voters Employees' Retirement System.
- (11) Sheriffs' Pension and Relief Fund.
- (12) Municipal Police Employees' Retirement System.
- (13) Firefighters' Retirement System.

B. The board of trustees of each of the retirement systems enumerated in Subsection A shall have an annual audit of the system performed by a certified public accountant at the expense of the system or performed in accordance with R.S. 24:513. A copy of the report shall be forwarded to the chairman of the House Committee on Retirement and the chairman of the Senate Committee on Retirement.

Added by Acts 1983, No. 139, §1. Acts 1988, No. 483, §2; Redesignated from R.S. 42:698.2 by Acts 1991, No. 74, §3, eff. June 25, 1991, amended by Acts 2012, No. 227, §1, eff. August 1, 2012.

§174. Death reports

- A. By the tenth day of each month, the secretary of the Department of Health and Hospitals shall send to each retirement system and pension fund enumerated in Subsection B hereof, a report, certified as correct over his signature or the signature of his authorized representative, containing the name, date of birth, date of death, address, and sex of each person who died in the state within the preceding calendar month.
- B. The provisions of Subsection A shall be applicable to the following public retirement systems and pension funds:
- (1) Louisiana State Employees' Retirement System.
 - (2) Louisiana State Police Retirement System.
 - (3) Louisiana School Employees' Retirement System.
 - (4) Teachers' Retirement System of Louisiana.
 - (5) Assessors' Retirement Fund.
 - (6) Clerks' of Court Retirement and Relief Fund.
 - (7) District Attorneys' Retirement System.
 - (8) Municipal Employees' Retirement System of Louisiana.
 - (9) Parochial Employees' Retirement System of Louisiana.
 - (10) Registrar of Voters Employees' Retirement System.
 - (11) Sheriffs' Pension and Relief Fund.
 - (12) Municipal Police Employees' Retirement System.
 - (13) Firefighters' Retirement System.
 - (14) Social Security Administration.
 - (15) Louisiana School Lunch Employees' Retirement System .
 - (16) United States Railroad Retirement Board.
 - (17) Employees' Retirement System of the City of Shreveport.

§175. Membership information; public access

C. The director of the system shall have the custody and control of these reports. Such reports shall be confidential and shall not be considered as public records under R.S. 44:1, et seq. The information received by the retirement systems and pension funds listed herein shall be used for statistical and administrative purposes only and shall not be divulged to any person or persons for any reason, except that the department may authorize the Social Security Administration to share information on name, date of death, place of death, sex, race, and date of birth as necessary with federal and state agencies for the sole purpose of identifying payments erroneously issued to beneficiaries after their deaths.

Added by Acts 1981, No. 410, §1; Amended by Acts 1981, No. 608, §1. Acts 1984, No. 357, §1; Acts 1985, No. 585, §1; Acts 1987, No. 345, §1; Acts 1989, No. 138, §1; Redesignated from R.S. 42:699 by Acts 1991, No. 74, §3, eff. June 25, 1991; H.C.R. No. 59, 1999 R.S.; Acts 2012, No. 227, §1, eff. August 1, 2012.

§175. Membership information; public access

A. In addition to the public records that are made accessible pursuant to the provisions of R.S. 44:16, any person of the age of majority shall be eligible to inspect, copy or reproduce, or obtain a reproduction of the following information from the records of any public retirement system, plan, or fund regarding any active member of the system, plan, or fund:

- (1) The name of the employing agency or agencies and the dates of any employment of the member in which the member has been eligible for membership in the system, plan, or fund.
- (2) The salary reported by the member's employer or employers for the purpose of determining contributions paid or payable to the system and the number of years of service credited to the member's account.
- (3) The amount of benefits paid or payable to the member's Deferred Retirement Option Plan account, if any.

B. Any information requested pursuant to this Section shall be provided by the system in accordance with the laws relative to public records, R.S. 44:1 et seq.

Added by Acts 2001, No. 843, §1, eff. June 26, 2001.

§176. Operating budget approval

A. Each state and statewide public retirement system shall submit its proposed annual operating budget to the Joint Legislative Committee on the Budget for its review.

– Revised Statutes –
§176. Operating budget approval

- B. The operating budgets of state public retirement systems shall be subject to the approval of the Joint Legislative Committee on the Budget. At no time shall a state public retirement system make any expenditures or obligate itself for items which deviate from its approved operating budget.
- C. (1) A state public retirement system may submit a proposed modification to its approved annual operating budget to the Joint Legislative Committee on the Budget for its review and approval at any time during the course of the fiscal year.
- (2) A statewide public retirement system shall submit any modification to its annual operating budget proposed at any time during the course of the fiscal year to the Joint Legislative Committee on the Budget for its review.

Added by Acts 2004, No. 275, §1, eff. June 15, 2004.

Subpart C. Retirement Boards

§181. Composition of governing boards of state and statewide systems; per diem and expenses

A. Notwithstanding any other provision of law contained in any of the laws governing the state retirement systems listed in this Subsection, or any other laws to the contrary, a member of the House Committee on Retirement appointed by the speaker of the House of Representatives and the chairman of the Senate Committee on Retirement, ex officio, or their designees, shall serve as voting members of the governing boards of each of the following state retirement systems:

- (1) The Louisiana State Employees' Retirement System.
- (2) The Teachers' Retirement System of Louisiana.
- (3) The Louisiana School Employees' Retirement System.
- (4) The Louisiana State Police Retirement System.

B. Notwithstanding any other provision of law contained in any of the laws governing the statewide retirement systems or funds listed in this Subsection, or any other laws to the contrary, a member of the House Committee on Retirement appointed by the speaker of the House of Representatives and the chairman of the Senate Committee on Retirement, ex officio, or their designees, shall serve as voting members of the governing boards of each of the following statewide retirement systems or funds:

- (1) The Assessors' Retirement Fund.
- (2) The Clerks of Court Retirement and Relief Fund.
- (3) The District Attorneys' Retirement System.
- (4) The Firefighters' Retirement System.
- (5) The Municipal Employees' Retirement System of Louisiana.
- (6) The Municipal Police Employees' Retirement System of Louisiana.
- (7) The Parochial Employees' Retirement System of Louisiana.
- (8) The Registrars of Voters Employees' Retirement System.
- (9) The Sheriffs' Pension and Relief Fund.

§182. Boards of trustees of state and statewide public retirement systems; per diem and expenses

- C. A majority of the members shall constitute the quorum necessary for meetings of these governing boards unless a greater number is specified by statute.
- D. Except as provided in Subsection E of this Section, the members of the governing boards of the above enumerated retirement systems or the designees of members for whom designees are authorized shall receive for attendance at meetings of the boards or committees thereof a per diem of seventy-five dollars per day plus the normal expense allowance allowed state employees by the division of administration, provided funds are available for this purpose. There shall be no such per diem payment for those meetings in excess of the number allowed by law.
- E. The member of the House Committee on Retirement appointed by the speaker of the House of Representatives and the chairman of the Senate Committee on Retirement, or their designees if members of the legislature, shall receive for attendance at meetings of the governing boards of the above enumerated retirement systems the same per diem and expenses as they receive for attendance at legislative committee meetings, and from the same sources.

Added by Acts 1976, No. 682, §1. Amended by Acts 1977, No. 167, §1; Redesignated from R.S. 42:700 by Acts 1991, No. 74, §3, eff. June 25, 1991; Acts 1997, No. 6, §1, eff. May 9, 1997; Acts 1997, No. 1217, §1, eff. July 1, 1997; Acts 1997, No. 1227, §1, eff. July 1, 1997; Acts 2001, No. 204, §1; Acts 2003, No. 476, §1, eff. June 20, 2003; Acts 2003, No. 953, §1, eff. July 1, 2003; Acts 2012, No. 227, §1, eff. August 1, 2012; Acts 2016, No. 621, §1, eff. June 16, 2016.

§182. Boards of trustees of state and statewide public retirement systems; per diem and expenses

- A. (1) Notwithstanding any other provisions of law to the contrary, the members of the boards of trustees of the Louisiana State Employees' Retirement System, the Teachers' Retirement System of Louisiana, the Louisiana School Employees' Retirement System, the Municipal Police Employees' Retirement System, the Louisiana State Police Retirement System, the Parochial Employees' Retirement System of Louisiana, the Municipal Employees' Retirement System of Louisiana, the Firefighters' Retirement System, the Assessors' Retirement Fund, the Clerks' of Court Retirement and Relief Fund, the Registrars of Voters Employees' Retirement System, the Sheriffs' Pension and Relief Fund, and the District Attorneys' Retirement System shall receive for attendance at meetings of the boards a per diem of seventy-five dollars per meeting plus the normal expense allowance, provided funds are available for this purpose.
- (2) If more than one board meeting occurs during any seven calendar day period, members shall receive per diems only for such board meetings which exceed three hours in duration. However, at least one per diem shall be paid for such

§183. Board members subject to Code of Governmental Ethics

seven calendar day period in which there occurs at least one board meeting. No more than one per diem shall be paid for more than one board meeting in one calendar day. Mileage expenses for attendance at board meetings shall not be allowed when travel to such meetings takes place in a governmentally owned vehicle, nor shall more than one member be reimbursed for mileage when more than one member travels to a board meeting in the same vehicle.

- B. The boards as enumerated herein shall receive per diem for each meeting required by law. There shall be no such per diem payments for those meetings above and beyond the number required by law.

Added by Acts 1982, No. 774, §1, eff. July 1, 1982. Acts 1988, No. 914, §1; Acts 1991, No. 55, §1, eff. July 1, 1991; Redesignated from R.S. 42:700.2 by Acts 1991, No. 74, §3, eff. June 25, 1991; Amended by Acts 2012, No. 227, §1, eff. August 1, 2012.

§183. Board members subject to Code of Governmental Ethics

Any member of a state or statewide retirement system board of trustees who does not hold an office by virtue of an election conducted pursuant to the Louisiana Election Code shall be deemed a public employee for purposes of compliance with Chapter 15 of Title 42 of the Louisiana Revised Statutes of 1950.

Added by Acts 2003, No. 953, §1, eff. July 1, 2003.

§184. Meetings of state and statewide retirement boards and committees

By December first of each calendar year, the board of trustees of each state and statewide retirement system shall submit to the House and Senate committees on retirement a proposed schedule of all board and committee meetings for the following calendar year. The proposed schedule shall be subject to review by the committees, and the chairman of either committee may request changes in the proposed schedule of any system in order to avoid conflicting meetings or for any other purpose.

Added by Acts 2003, No. 953, §1, eff. July 1, 2003.

§185. Educational requirements for members of retirement system boards of trustees

- A. The provisions of this Section shall apply to the following state retirement systems:

- (1) The Louisiana State Employees' Retirement System.
- (2) The Teachers' Retirement System of Louisiana.
- (3) The Louisiana School Employees' Retirement System.
- (4) The Louisiana State Police Retirement System.

§185. Educational requirements for members of retirement system boards of trustees

B. The provisions of this Section shall apply to the following statewide retirement systems:

- (1) The Assessors' Retirement Fund.
- (2) The Clerks of Court Retirement and Relief Fund.
- (3) The District Attorneys' Retirement System.
- (4) The Firefighters' Retirement System.
- (5) The Municipal Employees' Retirement System.
- (6) The Municipal Police Employees' Retirement System.
- (7) The Parochial Employees' Retirement System.
- (8) The Registrars of Voters Employees' Retirement System.
- (9) The Sheriffs' Pension and Relief Fund.

C. The provisions of this Section shall apply to the following local retirement system: Harbor Police Retirement System.

D. (1) For purposes of this Section “actuarial science” means the application of mathematical and statistical methods to estimate future payment for benefits, to set forth an orderly and convenient way to provide the funds necessary to make those future payments, to determine the effects of asset and liability experience on pension fund costs, and to study the demographics of plan members, particularly in relation to long-term risk assessments, mortality, and morbidity.

(2) For each system to which the provisions of this Section apply, each member of the board of trustees and each designee of a member shall complete continuing education or professional development training during each twelve-month period from September first to August thirty-first as provided in this Subsection. By October fifteenth of each year, the board of trustees of each system to which this Section applies shall submit to the House and Senate committees on retirement a letter stating whether or not each member of that board has met the requirements of this Section in the previous twelve-month period and giving the date or dates upon which the required training hours were completed by each member.

(3) Each year, any member to whom this Section applies shall attend at least eight hours of investment training, four hours of actuarial science information education, two hours of education regarding the laws, rules, and regulations

§186. Authorization for staff to attend executive sessions

applicable to his system, and two hours of instruction on fiduciary duty and ethics. These training hours may be conducted by the staff of the respective retirement systems or by outside experts. Two or more systems may combine any such training. Any member who is elected or appointed to the board for the first time on or after June first shall be required to comply only with the provisions of Paragraph (4) of this Subsection.

- (4) Except as otherwise provided by the constitution or in R.S. 42:3.1, no board member to whom this Section applies shall receive per diem during any calendar year unless and until he has completed the fiduciary and ethics requirement and at least one hour each of investment, actuarial science, and legal education in the current twelve-month cycle. The system shall submit evidence of training in compliance with this Paragraph to the speaker of the House of Representatives and the president of the Senate within fourteen days after the completion thereof.
- (5) Additionally, no new board member to whom this Section applies shall be permitted to vote on any matter until he has completed the fiduciary and ethics requirement and one hour of education in each of the other required areas.

Added by Acts 2003, No. 953, §1, eff. July 1, 2003. Amended by Acts 2004, No. 207, §1, eff. June 14, 2004; Acts 2011, No. 399, §1, eff. July 1, 2011; Acts 2012, No. 227, §1, eff. August 1, 2012; Acts 2012, No. 718, §1, eff. August 31, 2012.

§186. Authorization for staff to attend executive sessions

- A. As ex officio members of each of the state and statewide retirement system boards, the chairman of the House Committee on Retirement and the chairman of the Senate Committee on Retirement may each independently authorize legislative staff to attend any executive session of any board meeting or committee meeting of any state or statewide retirement system board or committee.
- B.
 - (1) An authorization made pursuant to the provisions of this Section shall be made in writing, specifically name the legislative staff member or members authorized to attend such executive sessions, and be submitted to the director of the state or statewide retirement system board whose executive sessions staff shall be authorized to attend. Such authorization shall be valid for one calendar year from the date of submission, unless modified or revoked as provided in Paragraph (2) of this Subsection.
 - (2) The chairman of the House Committee on Retirement and the chairman of the Senate Committee on Retirement are authorized to revoke or modify any written authorization made pursuant to this Section at any time by providing written notice to the director of the affected board. A revocation shall immediately terminate the authorization made pursuant to this Section. A modification shall act as a new written authorization and shall be valid for

§186. Authorization for staff to attend executive sessions

one calendar year from the date submitted.

- C. Any information or communication which, pursuant to the provisions of this Section, is provided to or presented in the presence of authorized staff shall be subject to the same rights, duties, and privileges which apply to the chairmen as members of the board, including the attorney-client privilege.
- D. A legislative staff member authorized to attend meetings pursuant to the provisions of this Section shall not be considered a “designee” as provided in R.S. 11:181 or R.S. 42:1124.2.1 and shall not be allowed to vote.

Added by Acts 2012, No. 224, §1, eff. May 22, 2012.

Subpart D. Dual Employment; Dual Membership

§191. Dual employment

- A. Any person who is employed in more than one public employment within this state, except as provided in Subsection C of this Section and who, by reason of such employment is eligible, as a condition of such employment, to be a member of the public retirement system or fund applicable to employees in each of such public employments, shall be a contributing member of each such retirement system or fund during the term of his employment. In no event shall such person be allowed to earn more than one year of service credit in any one year. Service credit earned in more than one retirement system or fund in any one year shall not be transferred or recognized reciprocally to attain more than one year of service credit in any one system in any one year.
- B. Any person who is a member of any public retirement system or fund on September 6, 1991, who has been employed in any public employment within the state and who has not been allowed to become a member of and to make contributions to the retirement system or fund applicable to employees in such public employment shall be allowed to purchase the service credit to which he would have been entitled in the system had he been an active contributing member of the retirement system or fund during the full term of his employment, by paying to the retirement system or fund an amount that totally offsets the actuarial cost of the receipt of the service credit. The employer for that employment may pay one-half of the actuarial cost of the receipt of the service credit; however, if the employer pays one-half of the actuarial cost for one employee, the employer shall pay one-half of the actuarial cost for all employees purchasing service credit under this Section provided the respective retirement system has a policy, in effect prior to August 15, 1995, for purchase of such service credit. If a retirement system does not have a policy for purchase of service credit as provided in this Subsection, then the employee shall pay the entire actuarial cost of the receipt of service credit provided in this Section.
- C. (1) For any member of a state or statewide retirement system elected to the legislature for a term commencing on or after July 1, 2011, and who holds another position of public office or employment within this state making him eligible for membership in such system, the earnable or earned compensation, or its equivalent, upon which his retirement benefit is calculated, shall not include any compensation for his service in the legislature occurring on or after July 1, 2011. Furthermore, no service credit shall accrue for such service as an elected member of the legislature. Neither employee nor employer contributions shall be remitted on the compensation received for such elected service in the legislature.

§192. Overpayment of benefits; corrections; repayment

- (2) The provisions of this Subsection shall not apply to any member serving in the legislature on June 30, 2011.

Added by Acts 1977, No. 672, §1. Acts 1986, No. 109, §1, eff. Jan. 1, 1987; Acts 1991, No. 413, §1; Redesignated from R.S. 42:701 by Acts 1991, No. 74, §3, eff. June 25, 1991; Acts 1992, No. 250, §1, eff. July 1, 1992; Acts 1995, No. 753, §1; Acts 2011, No. 377, §1, eff. June 30, 2011

§192. Overpayment of benefits; corrections; repayment

Whenever any state, parochial, or municipal retirement system or pension fund pays any sum of money or benefits to a retiree, beneficiary, or survivor which is not due them, the board of trustees shall adjust the amount payable to the correct amount, and the board is hereby authorized to recover any overpayment by reducing the corrected benefit such that the overpayment will be repaid within a reasonable number of months. The board shall notify the beneficiary, or survivor, of the amount of overpayment in benefits and the amount of the adjustment in benefits, thirty days prior to any reduction from the benefit amount without the overpayment.

Added by Acts 1981, No. 266, §1; Redesignated from R.S. 42:701.1 by Acts 1991, No. 74, §3, eff. June 25, 1991.

Subpart E. Disability Retirement

§201. Clerks of Court Retirement and Relief Fund

Editor's note: This section applies only to the Clerks of Court Retirement and Relief Fund and has been intentionally omitted.

§202. District Attorneys' Retirement System

Editor's note: This section applies only to the District Attorneys' Retirement System and has been intentionally omitted.

§203. Teachers' Retirement System

Editor's note: This section applies only to the Teachers' Retirement System and has been intentionally omitted.

§204. School Employees' Retirement System

Editor's note: This section applies only to the School Employees' Retirement System and has been intentionally omitted.

§205. Repealed by Acts 2003, No. 478, §1, eff. July 1, 2003

§206. Registrars of Voters Employees' Retirement System

Editor's note: This section applies only to the Registrars of Voters Employees' Retirement System and has been intentionally omitted.

§207. Sheriffs' Pension and Relief Fund

Editor's note: This section applies only to the Sheriffs' Pension and Relief Fund and has been intentionally omitted.

§208. Municipal Police Employees' Retirement System

Editor's note: This section applies only to the Municipal Police Employees' Retirement System and has been intentionally omitted.

§209. Parochial Employees' Retirement System

Editor's note: This section applies only to the Parochial Employees' Retirement System and has been intentionally omitted.

§210. Municipal Employees' Retirement System

Editor's note: This section applies only to the Municipal Employees' Retirement System and has been intentionally omitted.

§211. Repealed by Acts 2016, No. 322, §2

§212. Louisiana State Employees' Retirement System

- A. A member who becomes disabled, and who is not eligible for regular retirement, and who files for disability benefits while in service, and who upon medical examination and certification, as provided for elsewhere in this Subpart, is found to be totally disabled for any cause, shall be entitled to disability benefits under the provisions of R.S. 11:461(B), provided the member has at least ten years of creditable service, and provided that the disability was incurred while the member was an active contributing member in active state service.
- B. (1) Subject to the appropriation of funds for this purpose, a member of the Louisiana State Employees' Retirement System whose first employment making them eligible for membership in one of the state systems occurred on or before December 31, 2010, who is a correction officer, probation or parole officer, or security officer of the Department of Public Safety and Corrections, and who, upon medical examination and certification as provided in this Subpart, is found to be either totally disabled or partially disabled or incapacitated solely as the result of injuries sustained in the official performance of official duties of a hazardous nature, shall be entitled to disability benefits under the provisions of R.S. 11:461(B) regardless of the number of years of service, provided the member has been a correction officer, probation or parole officer, or a security officer of the Department of Public Safety and Corrections.
- (2) Any member whose first employment making him eligible for membership in one of the state systems occurred on or after January 1, 2011, who is employed as a correction officer, probation or parole officer, or security officer of the Department of Public Safety and Corrections and who, upon medical examination and certification as provided in this Subpart, is found to be totally and permanently disabled solely as the result of injuries sustained in the official performance of official duties of a hazardous nature, or totally disabled other than in the performance of his duties, shall be entitled to disability benefits under the provisions of R.S. 11:617.
- C. If the application for disability benefits is not filed while the member is in state service, it shall be presumed that the disability was not incurred while the member was an active contributing member in active service. Such presumption may be overcome only by clear, competent, and convincing evidence that the disability was incurred while the member was an active contributing member in active service.

Redesignated from R.S. 42:702(M) by Acts 1991, No. 74, §3, eff. June 25, 1991; Acts 1995, No. 864, §1, eff. July 1, 1995; Acts 2010, No. 992, §1, eff. Jan. 1, 2011.

NOTE: See Acts 2004, No. 7, §6, providing that the Act shall not affect or change any law relative to retirement or retirement or survivor benefits of employees of the Dept. of Public Safety and Corrections

§213. Assessors' Retirement Fund

Editor's note: This section applies only to the Assessors' Retirement Fund and has been intentionally omitted.

§214. Employees of the Enforcement Division in the Department of Wildlife and Fisheries

A. (1) A member of the Louisiana State Employees' Retirement System whose first employment making them eligible for membership in one of the state systems occurred on or before December 31, 2010, who is an employee of the enforcement division in the Department of Wildlife and Fisheries, and who upon medical examination and certification as provided for elsewhere in this Subpart, is found to be either totally disabled solely as the result of injuries sustained in the official performance of his official duties, or partially disabled or incapacitated for any reason, provided the member has been an employee of the enforcement division for at least ten years, and provided that the disability was incurred while the member was an active contributing member in active service, shall be entitled to disability benefits under the provisions of R.S. 11:583(B).

(2) Any member whose first employment making him eligible for membership in one of the state systems occurred on or after January 1, 2011, who is employed by the enforcement division in the Department of Wildlife and Fisheries, who becomes disabled and who files for disability benefits while in service, and who upon medical examination and certification as provided for elsewhere in this Subpart is found to be totally and permanently disabled solely as the result of injuries sustained in the performance of his official duties, or totally disabled for any cause, provided the member has at least ten years of creditable service, shall be entitled to disability benefits under the provisions of R.S. 11:617.

B. If the application for disability benefits is not filed while the member is in state service, it shall be presumed that the disability was not incurred while the member was an active contributing member in active service. Such presumption may be overcome only by clear, competent, and convincing evidence that the disability was incurred while the member was an active contributing member in active service.

Redesignated from R.S. 42:702(O) by Acts 1991, No. 74, §3, eff. June 25, 1991; Acts 2010, No. 992, §1, eff. Jan. 1, 2011.

§215. Firefighters' Retirement System

Editor's note: This section applies only to the Firefighters' Retirement System and has been intentionally omitted.

§218. Application and examination procedures; certification of disability

§216. Preexisting conditions

Any disability claimed by a member of a state or statewide retirement system must have been incurred after commencement of service in the system with which the claim is filed. Disability claims shall not be honored in the case of preexisting conditions.

Redesignated from R.S. 42:702(Q) by Acts 1991, No. 74, §3, eff. June 25, 1991.

§217. Disability vesting

Any member of a state or statewide retirement system who has completed twenty years of creditable service, and who has withdrawn from active service prior to the age at which he is eligible to begin receiving retirement benefits, shall be eligible in the event of total and permanent disability, for the lesser of all nonservice related disability benefits provided by his retirement system, or the normal vested retirement benefit. Upon attaining the normal vested retirement age, his disability benefit shall cease and he shall receive his full vested regular retirement.

Added by Acts 1978, No. 727, §10, eff. Jan. 1, 1979. Amended by Acts 1978, No. 787, §1, eff. July 17, 1978, Acts 1980, No. 808, §1; Redesignated from R.S. 42:702.1 by Acts 1991, No. 74, §3, eff. June 25, 1991; Acts 2001, No. 89, §1, eff. July 1, 2001.

§218. Application and examination procedures; certification of disability

- A. Any eligible member of a state or statewide retirement system listed in this Subpart who acquires a disability may apply for disability benefits to the board of trustees of the retirement system of which he is a member. The board of trustees shall require the supervisor of the applicant to submit to the board a report which shall include a brief history of the case and the supervisor's opinion as to the applicant's present ability to perform the normal duties required of him.
- B. The applicant's disability case history shall be examined either by that member of the State Medical Disability Board whose area of specialty most closely relates to the nature of the claimed disability or by an outside physician designated by the board. The examining physician shall either conduct a medical examination of the applicant, or waive the medical examination if obvious and overwhelming medical evidence of disability exists to his satisfaction. The cost of the examination, including costs of laboratory tests, X-rays, and other such direct examination procedures shall be borne by the applicant's retirement system; however, all nondirect costs such as hospital room and board charges and other such expenses shall be borne by the applicant. The initial examination shall be completed within six weeks of the date of the applicant's filing for benefits.
- C. The examining physician shall submit to the appropriate board of trustees an in-depth report which shall include a medical evaluation and his conclusions as to the applicant's claimed disability. Each member of the State Medical Disability Board and any board designated physician shall have full authority to certify total disability

in those applicants whom he examines. An applicant shall be considered certified as having a total disability if in the in-depth report submitted by the examining physician to the board of trustees, the physician declares the applicant to be totally incapacitated for the further performance of his normal duties and states that such incapacity is likely to be permanent. In the case of partial disability, the physician shall indicate the degree of incapacity.

- D. (1) Should the examining physician's final certification decision be contested by either the applicant or the applicant's board of trustees, the contesting party shall have the right to a second medical examination if a written appeal is filed within thirty days of notification of the certification decision. This second examination shall be performed by a member of the State Medical Disability Board, or by a board designated physician and shall be at the expense of the requesting party. The second physician shall also submit an in-depth report to the applicant's board of trustees which shall include his medical evaluation and conclusions as to the applicant's claimed disability.
- (2) If the second examining physician concurs in the findings and recommendations of the first physician, the first physician's original decision on certification shall stand as final and binding and shall not be subject to further appeal other than through the courts.
- (3) If the second examining physician disagrees with the findings and recommendations of the first physician, the two physicians shall select a third specialist to conduct another examination and prepare and file a third report in the same manner as provided for above. The majority opinion of the three examining physicians shall be final and binding and not subject to further appeal other than through the courts. The cost of the third medical examination shall be borne by the retirement system of the applicant if he is certified as having a disability, or by the applicant if his disability claim is denied.
- E. The board of trustees of a state or statewide retirement system shall receive a final and binding disability certification from a member of the State Medical Disability Board, or a board designated physician, and retire an eligible disability applicant within one hundred and twenty days of the applicant's date of filing for disability retirement. Disability benefits shall accrue from the filing date of the application for disability retirement, or from the day following the exhaustion of all sick leave or annual leave claimed by the applicant, whichever is the later.

Added by Acts 1978, No. 727, §10, eff. Jan. 1, 1979; Redesignated from R.S. 42:703 by Acts 1991, No. 74, §3, eff. June 25, 1991; Acts 2014, No. 811, § 1, eff. June 23, 2014.

§219. State Medical Disability Board

- A. The State Medical Disability Board shall be composed of physicians appointed by the board of trustees of each state and statewide retirement system, with each physician serving at the pleasure of the board of trustees that appointed him.

§220. Certification of continuing eligibility for disability benefits

Each medical board member shall, according to the provisions of R.S. 11:218, be responsible for either reviewing the medical case histories of or conducting medical examinations of members of any state and statewide retirement systems who apply for disability benefits and for submitting his findings and recommendations to the appropriate boards of trustees.

- B. The board of trustees of the appropriate system may, at their discretion or upon recommendation of a physician on the State Medical Disability Board, call upon physicians in any area of medical specialty and from any area of the state either to review case histories or to conduct regular or appeal examinations of disability retirement applicants. These alternate physicians shall follow the same procedures and have the same authority as regular members of the medical board under the provisions of R.S. 11:218(D).

Added by Acts 1983, No. 21, §1; Redesignated from R.S. 42:703.1 by Acts 1991, No. 74, §3, eff. June 25, 1991; Acts 1993, No. 361, §1.

§220. Certification of continuing eligibility for disability benefits

- A. Once each year during the first five years following retirement of a member of a state or statewide retirement system on a disability retirement allowance, and once in every three-year period thereafter, the appropriate board of trustees may require any disability beneficiary who has not yet attained the equivalent age of regular retirement to undergo a medical examination, at the beneficiary's expense, such examination to be made at the place of residence of said beneficiary if he is immovable or other place mutually agreed upon, by a physician on the State Medical Disability Board or a board designated specialist. The examining physician shall submit a report to the board of trustees recommending either the continuation or cessation of the beneficiary's disability status. A contested decision shall be appealed under the procedures described in R.S. 11:218.
- B. Should any disability beneficiary who has not yet attained the equivalent age of regular retirement refuse to submit to at least one medical examination in any such year by a medical board physician designated by the board of trustees, his allowance shall be discontinued until his withdrawal of such refusal, and should his refusal continue for one year all his rights in and to his disability pension shall be revoked by the board of trustees.
- C. The board of trustees, upon receipt of a final and binding report from a member of the State Medical Disability Board declaring a beneficiary's total disability to have ceased, shall order the discontinuation of the disability allowance.
- D. Neither the former receipt of, nor the involuntary termination of disability benefits shall affect the right of any person to any regular retirement benefits based upon age or service to which he is eligible.

Added by Acts 1978, No. 727, §10, eff. Jan. 1, 1979; Redesignated from R.S. 42:704 by Acts 1991, No. 74, §3, eff. June 25, 1991.

§221. Authority of retirement boards to modify benefits; earnings statements

§221. Authority of retirement boards to modify benefits; earnings statements

- A. (1) Should the board of trustees of a state or statewide retirement system determine that a disability beneficiary is engaged in a gainful occupation paying more than the difference between his retirement allowance and his average final compensation, and should the board of trustees concur in such report, then the amount of his pension shall be reduced to an amount, which, together with his annuity and the amount earnable by him, shall equal the amount of his average final compensation. Should his earning capacity be later changed, the amount of his pension shall be further modified; however, the new pension shall not exceed the amount of the pension originally granted nor an amount, which, when added to the amount earnable by the beneficiary together with his annuity, equals the amount of his average final compensation.
- (2) Notwithstanding the provisions of this Subsection, any disability retiree of the Municipal Police Employees' Retirement System who has attained the age of sixty-two years, or any member of the Municipal Police Employees Retirement System who was a full-time police officer, who is a disability beneficiary, and whose disability was caused while the police officer suffered a bilateral knee injury disability while the police officer was in the discharge of his duties shall not have his benefit reduced as a result of any earned income attributable to gainful employment. Such earned income shall not be considered or included in any calculation otherwise required by Paragraph (1) of this Subsection. No funds derived from the assessments against insurers pursuant to R.S. 22:1419 shall be used to pay any increased costs or increase in liability of the system resulting from inclusion of disability retirees who have attained the age of sixty-two in the provisions of this Paragraph.
- B. For the purposes of this Section, there shall be an annual cost-of-living adjustment to the average final compensation figure used in the modification computations. This cost-of-living adjustment shall be based upon and directly reflect the annual percentage increase or decrease in the Consumer Price Index for the preceding calendar year.
- C. (1) Every disability beneficiary of a state or statewide retirement system shall submit to the board of trustees by May first of every year a notarized annual earnings statement detailing his earned income from employment in the previous tax year. Should a beneficiary refuse to submit such an earnings statement by May first, his allowance may be discontinued, without retroactive reimbursement, until the statement is filed. Should his refusal continue for the remainder of the calendar year, all his rights in and to his disability pension may be revoked by the board of trustees.
- (2) Every disability retiree of the Municipal Police Employees' Retirement System who has attained the age of sixty-two years shall be exempt from the provisions of this Subsection. No funds derived from the assessments

§221. Authority of retirement boards to modify benefits; earnings statements

against insurers pursuant to R.S. 22:1419 shall be used to pay any increased costs or increase in liability of the system resulting from the provisions of this Paragraph.

- D. (1) Any disability retirement allowance, including that received under authority of R.S. 11:217, shall be modified by the board of trustees when the sum of a whole life annuity equivalent of the benefits or financial awards which accrue to a disability retiree solely as a result of his disability and the disability pension to which the retiree is entitled exceeds the amount of his average final compensation, in such a matter that the sum of the above equals the amount of average final compensation. Should these outside benefits or awards be reduced, exhausted, or terminated, the board of trustees may increase the disability pension then being received by retirees so that the sum of the pension benefits and the outside benefits equals the amount of average final compensation; but in no case shall the disability pension be increased to an amount greater than that to which the beneficiary was originally entitled when he retired.
- (2) Individual private insurance settlements and separate private retirement accounts and other similar nonsystem resources, including disability benefits from the Social Security Administration and the Veterans Administration, other than worker's compensation, shall be specifically exempted from consideration in any of the above computations. Social security shall not be deducted if the retirement system in which the member is vested provides for joint participation and benefits with social security.
- (3) For the purposes of this Subsection, there shall be an annual cost-of-living adjustment to the average final compensation figure used in the modification computations. This cost-of-living adjustment shall be based upon and directly reflect the annual percentage increased or decreased in the Consumer Price Index for the preceding calendar year.
- (4) Notwithstanding any other law to the contrary, any member who retires while in service on a disability retirement and who has credit for the years of service required for normal retirement shall, upon attainment of the age required for normal retirement, be eligible to receive full normal retirement benefits. To receive such benefits, the member shall file an application with the board of trustees of the retirement system. Upon commencement of regular retirement benefits, disability benefits shall cease.
- E. The provisions of this Section, as applied to the Teachers' Retirement System, shall be applied in conjunction with R.S. 11:780, if applicable.

Added by Acts 1978, No. 727, §10, eff. Jan. 1, 1979. Amended by Acts 1980, No. 808, §1; Acts 1983, 1st Ex.Sess., No. 1, §6; Acts 1987, No. 828, §1; Acts 1990, No. 171, §1, eff. July 1, 1990; Redesignated from R.S. 42:705 by Acts 1991, No. 74, §3, eff. June 25, 1991; Acts 2000, 1st Ex. Sess., No. 94, §1, eff. April 17, 2000; Acts 2000, 1st Ex. Sess., No. 115, §1, eff. July 1, 2000; Acts 2001, No. 89, §1, eff. July 1, 2001; Acts 2003, No. 606, §1; Acts 2008, No. 415, §2, eff. Jan. 1, 2009.

§222. Exemption from restrictions on other income for persons confined to a wheelchair

§222. Exemption from restrictions on other income for persons confined to a wheelchair; state police; municipal police; sheriffs

Editor's note: This section applies only to the State Police Pension and Retirement System, the Municipal Police Employees' Retirement System, and the Sheriffs' Pension Fund and has been intentionally omitted.

§223. Exemption from restrictions on other income for amputees; state police; municipal police

Editor's note: This section applies only to the State Police Pension and Retirement System, and the Municipal Police Employees' Retirement System and has been intentionally omitted.

§224. Restoration to active service

If any disability retiree of a state or statewide retirement system who is under the age of sixty years is restored to active service, his retirement allowance shall cease, he shall again become a member of the retirement system, and he shall contribute thereafter at the current rate in effect at the time he is restored to service, and if he contributes for at least three years, the period of time on disability shall be counted as accredited service for purposes of establishing retirement eligibility, but not for computation of benefits. Any prior service certificate on which his service was computed at the time of his retirement shall be restored to full force and effect and, in addition, upon his subsequent retirement he shall be credited with all his service as a member. This Section shall apply to all disability retirees, regardless of the date they qualified for a disability retirement benefit.

Added by Acts 1978, No. 727, §10, eff. Jan. 1, 1979. Amended by Acts 1982, No. 172, §1; Redesignated from R.S. 42:706 by Acts 1991, No. 74, §3, eff. June 25, 1991.

§225. Restoration to active service; trial period

Notwithstanding the provisions of R.S. 11:224 or any other provision of law to the contrary, any disability retiree of the Louisiana State Employees' Retirement System may return to active service for a trial period of not more than six months with no effect other than the suspension of the retirement allowance during the period of reemployment. If he does not work more than six months, the retirement allowance shall be reinstated without the necessity of any reapplication for disability retirement or medical examination, or related matters. In addition, during this temporary period of employment no changes shall occur with respect to the Office of Group Benefits coverage. He shall be treated as if he were still receiving his retirement benefit except that deductions shall be made from his compensation rather than from his retirement allowance.

Acts 1991, No. 499, §2, eff. July 15, 1991; Redesignated from R.S. 42:707 by Acts 1991, No. 74, §5, eff. June 25, 1991; Acts 2001, No. 1178, §1, eff. June 29, 2001; Acts 2004, No. 267, §1, eff. June 15, 2004.

NOTE: See Acts 1991, No. 500, §3, relative to retroactive effect of this Section enacted by that Act

Subpart F. Retirement Benefit Computation

§231. Average compensation

Editor's note: This section does not apply to LASERS and has been intentionally omitted.

§232. Repealed by Acts 2001, No. 436, §1, eff. July 1, 2001

§233. Earnable compensation

Editor's note: This section applies only to the Firefighters' Retirement System, the Sheriffs' Pension Fund, the Parochial Employees' Retirement System of Louisiana, and the Assessors' Retirement Fund and has been intentionally omitted.

§234. Survivor benefits

A. The provisions of this Section shall be applicable to all members of the following public retirement systems:

- (1) Assessors' Retirement Fund.
- (2) Clerks of Court Retirement and Relief Fund.
- (3) District Attorneys' Retirement System.
- (4) Firefighters' Retirement System.
- (5) Louisiana School Employees' Retirement System.
- (6) Louisiana State Employees' Retirement System.
- (7) Municipal Employees' Retirement System of Louisiana.
- (8) Municipal Police Employees' Retirement System.
- (9) Parochial Employees' Retirement System of Louisiana.
- (10) Registrars of Voters Employees' Retirement System.
- (11) Sheriffs' Pension and Relief Fund.
- (12) Louisiana State Police Retirement System.
- (13) Teachers' Retirement System of Louisiana.

§235. Minor's benefit placed in trust; payable under trust instrument

- B. Notwithstanding any other provision of law to the contrary, any person who, after June 22, 1993, is receiving survivor benefits or becomes eligible to receive survivor benefits shall not have their benefits discontinued upon remarriage if such remarriage occurs after their attaining age fifty-five.

Added by Acts 1993, No. 774, §1, eff. June 22, 1993; Amended by Acts 2012, No. 227, §1, eff. August 1, 2012.

Subpart F-1. Surviving Minor's Benefit Placed in Trust

§235. Minor's benefit placed in trust; payable under trust instrument

- A. If a state or statewide retirement system provides for payment of benefits to the minor child of a deceased member, when there is no surviving spouse or when the surviving spouse does not have legal custody of the minor child, then, notwithstanding any other provision of law to the contrary, benefits shall be paid to such minor child in accordance with the law of the respective state or statewide retirement system except as provided in Subsection B of this Section.
- B. If a trust has been created under Louisiana law by the deceased member for the benefit of the child, the terms of the instrument creating the trust so provide, and the respective system has been provided with a certified copy of the trust document, then the survivor benefit due the minor child shall be paid to the trustee for addition to the trust property. If the trust is contested by any party, the respective retirement system shall withhold all survivor benefit payments or deposit them in the registry of the court if a concursus proceeding is filed, until there is a final binding legal agreement or judgment regarding the proper payment of the survivor benefits.

Added by Acts 1995, No. 54, §1, eff. June 12, 1995.

§ 247. Automatic cost-of-living adjustments

Subpart G. Cost-of-living Adjustments

§241. Purpose; formula for distribution

- A. The purpose of this Subpart is to provide with respect to a system of cost-of-living adjustments for retirees of public retirement systems, funds, and plans as specified herein. The provisions of this Subpart do not repeal provisions relative to cost-of-living adjustments contained within the individual laws governing the systems, funds, and plans affected by the Subpart; however, the provisions of this Subpart are to be controlling in cases of conflicts with the individual laws.
- B. Any increase of benefits granted by the legislature or by a state or statewide public retirement system shall be distributed in accordance with the provisions of this Subsection, if the legislature or system does not otherwise specify the terms for such distribution. Any such increase shall be a monthly increase in the benefit of each recipient determined in accordance with the formula “ $X(A + B)$ ”, where “A” is equal to the number of years of credited service accrued at retirement or at death of the member or retiree, “B” is equal to the number of years since retirement or since death of the member or retiree to June thirtieth of the initial year of such increase, and “X” is equal to one dollar. If there are not sufficient funds to fund “X” at the level of one dollar, then “X” shall be a variable value in accordance with the amount of funds that are available to fund the cost-of-living adjustment.

Added by Acts 1980, No. 798, §1, eff. Aug. 1, 1980; Redesignated from R.S. 42:711 by Acts 1991, No. 74, §3, eff. June 25, 1991; Acts 1995, No. 1017, §1, eff. June 29, 1995.

§242. Cost-of-living adjustments; permanent benefit increases; restrictions

Editor’s note: This section does not apply to LASERS and has been intentionally omitted.

§243. Cost-of-living adjustments; permanent benefit increases; restrictions; funding criteria

Editor’s note: This section does not apply to LASERS and has been intentionally omitted.

§244 to 245. Repealed by Acts 1999, No. 402, §2, eff. July 1, 1999

§246. Additional cost-of-living adjustments; retirees and beneficiaries over age sixty-five

Editor’s note: This section does not apply to LASERS and has been intentionally omitted.

§ 247. Automatic cost-of-living adjustments

- A. (1) Upon application for retirement or participation in the Deferred Retirement Option Plan, any member of a state or statewide retirement system may elect to receive an actuarially reduced retirement allowance plus an annual two and one-half percent cost-of-living adjustment. Such an election shall be irrevocable after the effective date of retirement or after the beginning date of participation in the Deferred Retirement Option Plan. The retirement

§ 247. Automatic cost-of-living adjustments

allowance together with the cost-of-living adjustment shall be certified by the system actuary to be actuarially equivalent to the member's maximum or optional retirement allowance and shall be approved by the system's board of trustees.

- (2) The annual cost-of-living adjustment of such retirees shall be based on the retirement allowance received pursuant to the retirement plan option selected by the member and the monthly benefit being paid pursuant thereto on the effective date of the increase, inclusive of cost-of-living adjustments paid pursuant to this Section, but exclusive of cost-of-living adjustments or permanent benefit increases paid pursuant to any other provision of law.
 - (3)
 - (a) The annual cost-of-living adjustment of any Deferred Retirement Option Plan participant shall be credited to the participant's Deferred Retirement Option Plan subaccount during the participation period.
 - (b) Following participation in the Deferred Retirement Option Plan, the annual cost-of-living adjustment shall be applied to the monthly benefit allowance amount determined by the retirement plan option selected, inclusive of cost-of-living adjustments paid pursuant to this Section, but exclusive of cost-of-living adjustments or permanent benefit increases paid pursuant to any other provision of law. The monthly benefit allowance upon retirement shall reflect the annual benefit adjustments set forth in this Paragraph.
 - (c) Upon retirement of a Deferred Retirement Option Plan participant, the annual cost-of-living adjustment shall also be applied to any supplemental benefit earned after the participation period in accordance with applicable law.
 - (d) The provisions of this Section shall not apply to any participant in a Back-Deferred Retirement Option Plan or Program.
 - (4) If a retiree or Deferred Retirement Option Plan participant has chosen an optional retirement allowance wherein a spouse who has been designated as beneficiary will receive a continuing benefit upon the retiree's or Deferred Retirement Option Plan participant's death, the spouse's cost-of-living adjustment shall be payable based on the spouse's allowance on the effective date of the increase.
- B. The annual cost-of-living adjustment authorized by Subsection A of this Section shall be effective annually on the retirement anniversary date of the retiree and shall be payable to any retiree who is age fifty-five or older and not before the retiree would have attained such age if his spouse is receiving the retirement allowance as his designated beneficiary.

§ 248. Surviving spouses of police officers

- C. Additional cost-of-living adjustments or permanent benefit increases granted by the system's board of trustees, as otherwise provided by law, shall be computed on the basis of the retiree's benefit amount on the date such cost-of-living adjustment or permanent benefit increase is granted. If an additional cost-of-living adjustment or permanent benefit increase is scheduled to be effective on the same day as the annual cost-of-living adjustment, the annual cost-of-living adjustment shall be calculated first.
- D. Upon application for retirement or participation in the Deferred Retirement Option Plan and upon certifying that he is contemplating availing himself of the provisions of this Section, a member of a state or statewide retirement system may request that the system provide actuarial estimates of the benefits that such member would receive pursuant to Subsection A of this Section for the fifth, tenth, and fifteenth year following the member's anticipated retirement date. The system shall provide such actuarial estimates to the member upon request.
- E. This Section shall not be applicable to recipients of disability retirement benefits pursuant to R.S. 11:461 et seq. All other persons receiving disability retirement benefits pursuant to the provisions of this Title shall be eligible to elect this retirement option upon conversion to a service retirement, if applicable, under the provisions of this Title for each state or statewide retirement system.

Added by Acts 2009, No. 270, §1, eff. July 1, 2009. Amended by Acts 2010, No. 861, §4, eff. August 15, 2010.

§ 248. Surviving spouses of police officers

Editor's note: This section does not apply to LASERS and has been intentionally omitted.

§251. Legal counsel, certified public accountants, professional investment personnel

Subpart H. Professional Personnel

§251. Legal counsel, certified public accountants, professional investment personnel

Notwithstanding any other provisions of law to the contrary, the boards of trustees of the Louisiana State Employees' Retirement System, the Teachers' Retirement System of Louisiana, the Louisiana School Employees' Retirement System, the Municipal Police Employees' Retirement System, the Louisiana State Police Retirement System, the Parochial Employees' Retirement System of Louisiana, the Municipal Employees' Retirement System of Louisiana, the Firefighters Retirement System, the Assessors' Retirement Fund, the Clerks of Court Retirement and Relief Fund, the Registrars of Voters Employees' Retirement System, the Sheriffs' Pension and Relief Fund, and the District Attorneys' Retirement System are hereby authorized, jointly or otherwise, to at their option either employ or appoint at their own cost and expense legal counsel, certified public accountants, and professional investment personnel who shall be full-time in-house staff members of said systems, who may be members of the appropriate public retirement system, and who may participate in the state's group life, health, and hospitalization insurance program, or to retain legal counsel to represent said systems who shall not be a member of any of the above systems.

Acts 1991, No. 675, §1; Redesignated from R.S. 42:714 by Acts 1991, No. 74, §3, eff. June 25, 1991; Acts 1993, No. 758, §1, eff. June 22, 1993; Amended by Acts 2012, No. 227, §1, eff. August 1, 2012.

Subpart I. Fiduciary and Investment Responsibilities

§261. Purpose

The legislature recognizes that the fiscal integrity of various governments of and within this state and the financial security of employees and citizens of these various governments require that the public retirement or pension systems, funds, and plans maintained primarily for officers and employees of the governments be maintained on a sound actuarial basis. It is further recognized that the fiduciary responsibilities and the investment practices of these systems, funds, and plans are an integral part of such maintenance. It is also recognized that the legislative branch of state government bears a responsibility with respect to this maintenance. Accordingly, the purpose of this Subpart is to provide for the governing of fiduciary responsibilities and investments by public retirement or pension systems, funds, and plans.

Added by Acts 1983, No. 456, §1. Acts 1984, No. 867, §1; Redesignated from R.S. 42:715 by Acts 1991, No. 74, §3, eff. June 25, 1991; Acts 1992, No. 1046, §1, eff. July 1, 1993.

§262. Applicability

The provisions of this Subpart are applicable to the following public retirement or pension systems, funds, and plans:

- (1) Assessors' Retirement Fund.
- (2) Clerks of Court Retirement and Relief Fund.
- (3) District Attorneys' Retirement System.
- (4) Firefighters' Retirement System.
- (5) Louisiana School Employees' Retirement System.
- (6) Louisiana State Employees' Retirement System.
- (7) Municipal Employees' Retirement System of Louisiana.
- (8) Municipal Police Employees' Retirement System.
- (9) Parochial Employees' Retirement System of Louisiana.
- (10) Registrars of Voters Employees' Retirement System.
- (11) Sheriffs' Pension and Relief Fund.
- (12) Louisiana State Police Retirement System.

§263. Prudent-man rule; investments; reporting

(13) Teachers' Retirement System of Louisiana.

(14) Harbor Police Retirement System.

Acts 1984, No. 867, §1; Redesignated from R.S. 42:716 by Acts 1991, No. 74, §3, eff. June 25, 1991; Amended by Acts 2003, No. 1255, §1, eff. July 7, 2003; Acts 2012, No. 227, §1, eff. August 1, 2012.

§263. Prudent-man rule; investments; reporting

- A. The prudent-man rule shall be applied by the systems, funds, and plans governed by this Subpart.
- B. The prudent-man rule shall require each fiduciary of a retirement system and each board of trustees acting collectively on behalf of each system to act with the care, skill, prudence, and diligence under the circumstances prevailing that a prudent institutional investor acting in a like capacity and familiar with such matters would use in the conduct of an enterprise of a like character and with like aims.
- C. This standard requires the exercise of reasonable care, skill, and caution, and is to be applied to investments not in isolation, but in the context of the trust portfolio, and as part of an overall investment strategy, which shall include an asset allocation study and plan for implementation thereof, incorporating risk and return objectives reasonably suitable to that trust. The asset allocation study and implementation plan shall include the examination of market value risk, credit risk, interest rate risk, inflation risk, counterparty risk, and concentration risk. The investment policy of each system, plan, or fund shall preserve and enhance principal over the long term and provide adequate liquidity and cash flow for the payment of benefits. The investments shall be diversified to minimize the risk of significant losses unless it is clearly prudent not to do so.
- D. (1) Notwithstanding the prudent-man rule, no governing authority of any system or fund governed by this Subpart shall invest more than fifty-five percent of the total portfolio in equities, except as provided in Paragraph (2) of this Subsection.
- (2) The governing authority of any system may invest more than fifty-five percent of the total portfolio in equities, so long as not more than sixty-five percent of the total portfolio is invested in equities and at least ten percent of the total equity portfolio is invested in one or more index funds which seek to replicate the performance of the chosen index or indices.
- (3) When contemplating any investment, action, or asset allocation the following factors shall be given weight:

§263. Prudent-man rule; investments; reporting

- (a) The availability of public pricing to value each investment.
- (b) The ability to liquidate each investment at a fair market price within a reasonable time frame for the size of investment that is being considered.
- (c) The degree of transparency that accompanies each investment.
- (d) The risk of fluctuations in currency that may accompany each investment.
- (e) The experience of the professionals who will manage each investment and the financial soundness of the business entity employing such professionals.
- (f) The degree of diversification which exists within each investment and that such investment itself may provide relative to the other existing investments in the system's portfolio.
- (g) Whether leverage is involved.
- (h) The potential for unrelated business taxable income as defined in Section 512 of the Internal Revenue Code.
- (i) The jurisdiction of the laws that govern each investment.
- (j) The net return that is expected relative to the risk that is associated with each investment.

E. Repealed by Acts 2010, No. 1004, §2, eff. July 1, 2010.

F. Notwithstanding the prudent-man rule, a system board of trustees may but is not required to divest itself of any holding in a company having facilities or employees or both located in a prohibited nation as that term is defined in R.S. 11:312(B)(2).

G. (1) Each system, plan, or fund governed by this Subpart shall submit to the House and Senate committees on retirement and to each other state and statewide retirement system electronically transmitted quarterly reports beginning with the quarter ending June 30, 2010, which shall be submitted no later than thirty calendar days after the end of the quarter.

(2) Each report submitted pursuant to this Subsection shall contain, at a minimum, the following:

- (a) The investment return net of investment fees and expenses expressed as a percentage return and dollar amount.
- (b) The amount of administrative expenses.
- (c) The board-approved target asset allocation.

(d) The current actual asset allocation of the system portfolio.

- (3) Investment returns reported pursuant to this Subsection shall be by total fund and particular asset class over the quarter reported, fiscal year-to-date, one year, three year, five year, and ten year periods.

Acts 1984, No. 867, §1; Acts 1987, No. 49, §1; Acts 1989, No. 216, §1; Acts 1990, No. 214, §1; Redesignated from R.S. 42:717 by Acts 1991, No. 74, §3, eff. June 25, 1991; Acts 1992, No. 1046, §§1 and 2, eff. July 1, 1993; Acts 1997, No. 1301, §1, eff. June 30, 1997; Acts 2003, No. 788, §1, eff. July 1, 2003; Acts 2004, No. 850, §1, eff. July 12, 2004; Acts 2005, No. 9, §1, eff. May 27, 2005; Acts 2010, No. 1004, §§1, 2, eff. July 1, 2010.

NOTE: See Acts 2004, No. 850, §3, relative to phasing in of indexing and relative to deadline for compliance by La. Assessors' Retirement Fund

§264. Fiduciary relationships

With respect to the systems, plans, and funds governed by this Subpart, each of the following persons shall be deemed to be in a fiduciary relationship with the respective funds:

- (1) Any person who exercises any discretionary authority or discretionary control with respect to the management of system funds or assets.
- (2) Any person who renders investment advice or services for compensation, direct or indirect, with respect to system funds or assets.

Acts 1989, No. 64, §1; Redesignated from R.S. 42:718 by Acts 1991, No. 74, §3, eff. June 25, 1991; Acts 2005, No. 9, §1, eff. May 27, 2005.

§264.1. Liabilities; discretionary control

Legislators, state officials, system attorneys, accountants, and actuaries shall not be considered fiduciaries unless they exercise discretionary control over the management or administration of the system or some authority or control over system assets.

Added by Acts 1992, No. 1046, §1, eff. July 1, 1993.

§264.2. Fiduciary restriction; felony conviction

Any person who has been convicted of a felony offense shall be restricted from serving as a system fiduciary for a period of five years after the conviction or after the end of imprisonment, whichever is later.

Added by Acts 1992, No. 1046, §1, eff. July 1, 1993.

§264.3. Basic fiduciary duty

The basic duty of a fiduciary is to discharge his duties with respect to the system in the exclusive interest of the members and beneficiaries.

Added by Acts 1992, No. 1046, §1, eff. July 1, 1993.

§264.4. Exclusive interest rule

A fiduciary must discharge his duties within the law solely in the interest of system members and beneficiaries for the exclusive purpose of providing benefits to participants and beneficiaries and paying the expenses of administering the plan.

Added by Acts 1992, No. 1046, §1, eff. July 1, 1993. Amended by Acts 2005, No. 9, §1, eff. May 27, 2005.

§264.5. Breach of fiduciary duty

A. Any person who is a fiduciary with respect to a plan who breaches any of the responsibilities, obligations, or duties imposed upon fiduciaries by this Subpart shall be personally liable to make good to such plan any losses to the plan resulting from each such breach, and to restore to such plan any profits of such fiduciary which have been made through use of assets of the plan by the fiduciary, and shall be subject to such other equitable or remedial relief as the court may deem appropriate, including removal of such fiduciary.

B. No fiduciary shall be liable with respect to a breach of fiduciary duty under this Subpart if such breach was committed before he became a fiduciary or after he ceased to be a fiduciary.

C. It shall not be a breach of fiduciary duty for a board of trustees or any member of such a board to take action to divest the system of any holding in a company having facilities or employees or both located in a prohibited nation as that term is defined in R.S. 11:312(B)(2); however, nothing in this Subsection shall require a board to divest itself of any such holding.

Added by Acts 1992, No. 1046, §1, eff. July 1, 1993. Amended by Acts 2005, No. 9, §1, eff. May 27, 2005.

§264.6. Cofiduciary liability

A. Any fiduciary who participates in a breach committed by a cofiduciary, or who tries to conceal a cofiduciary's breach, shall be held liable jointly for breach of fiduciary duty. Cofiduciary liability also results from a fiduciary's failure to use reasonable care to prevent a cofiduciary from committing a breach.

B. Any fiduciary who has knowledge of a cofiduciary's breach has a duty to remedy the breach.

Added by Acts 1992, No. 1046, §1, eff. July 1, 1993.

§264.7. Remedies; jurisdiction; authority; attorney fees

§264.7. Remedies; jurisdiction; authority; attorney fees

A. A member, beneficiary, or survivor who can demonstrate a personal interest in a retirement system may bring a civil action to enforce the provisions of this Subpart. In any enforcement proceeding the plaintiff may seek and the court may grant any appropriate form of relief, including but not limited to the following:

- (1) A writ of mandamus.
- (2) Injunctive relief.
- (3) A declaratory judgment.
- (4) A judgment rendering certain actions of the board of trustees as void.
- (5) A judgment awarding civil damages.
- (6) A judgment requiring payment of the amounts in R.S. 11:269.

B. Exclusive original jurisdiction for proceedings under this Subpart shall be in the Nineteenth Judicial District Court of Louisiana. In any enforcement proceeding the court has jurisdiction and authority to issue all necessary orders to require compliance with, or to prevent noncompliance with, or to declare the rights of parties under the provisions of this Subpart. Any noncompliance with the orders of the court may be punished as contempt of court.

C. If a person who brings an enforcement proceeding prevails, he shall be awarded reasonable attorney fees and other costs of litigation. If such person prevails in part, the court may award him reasonable attorney fees or an appropriate portion thereof. If the court finds that the proceeding was of a frivolous nature and was brought with no substantial justification, it may award reasonable attorney fees to the prevailing party.

Added by Acts 1992, No. 1046, §1, eff. July 1, 1993. Amended by Acts 2005, No. 9, §1, eff. May 27, 2005.

§264.8. System policy regarding breach of fiduciary duty

No retirement system may submit a proposed regulation, or approve any internal policy to relieve a fiduciary from responsibility for breach of fiduciary duty. However, a system may purchase insurance to cover liability or losses due to acts or omissions of fiduciaries. Any such insurance shall maintain the insurance company's right of subrogation. A fiduciary may purchase insurance to cover his own liability, without condition.

Added by Acts 1992, No. 1046, §1, eff. July 1, 1993.

§266. Investment performance standards

§265. Compensation of investment advisors

Each board of trustees of the various public retirement systems, plans, or funds is hereby authorized, in requesting proposals for investment advisory services, to require that fees shall be quoted as a fixed fee, a fee based on market value of assets, or a performance fee.

Acts 1990, No. 172, §1; Redesignated from R.S. 42:717.1 by Acts 1991, No. 74, §3, eff. June 25, 1991.

§266. Investment performance standards

- A. The provisions of this Section shall be applicable to all Louisiana public retirement or pension systems, funds, and plans, and shall not apply to any investment manager or investment advisor who does not have an office for investment managers or investment advisors domiciled in the United States.
- B. Investment performance reports submitted by any investment manager or investment advisor of any entity covered by Subsection A of this Section shall be in compliance with the current Performance Presentation Standards as amended and published by the Association for Investment Management and Research or any successor entity.
- C. (1) Investment performance composite data submitted in response to a request for proposal or any other solicitation or selection process used by any system, fund, or plan covered by this Section for hiring an investment manager or investment advisor shall be in compliance with the current Performance Presentation Standards as amended and published by the Association for Investment Management and Research or any successor entity.

(2) Each such system, plan, or fund shall require, at least annually, the investment managers or investment advisors employed or otherwise retained by such system, plan, or fund to submit investment performance composite data, which contains such systems, plans, or funds portfolio that is subject to a Level I verification as defined in the Performance Presentation Standards as amended and published by the Association for Investment Management and Research or any successor entity.
- D. The Investment Performance Standards required in Subsections B and C of this Section shall not be required for investments in limited partnerships, limited liability partnerships, private placements, and natural resource portfolios.

Added by Acts 1995, No. 866, §1, eff. Dec. 31, 1995. Amended by Acts 2005, No. 9, §1, eff. May 27, 2005.

§266.1. Investment through Louisiana incorporated and domiciled broker-dealer

§266.1. Investment through Louisiana incorporated and domiciled broker-dealer

- A. The provisions of this Section shall be applicable to every state public retirement or pension system, plan, or fund.
- B. Each state public retirement or pension system, plan, or fund shall direct at least ten percent of the commissions on all trades of domestic equities in separately actively managed portfolios and shall direct at least ten percent of all trades of domestic investment grade fixed income investments in separately managed accounts through broker-dealers selected on a best bid and offer basis who have been incorporated and domiciled in or who have had their principal trading operations in Louisiana for at least two years, who are registered and in good standing with the Financial Industry Regulatory Authority, and who have demonstrated the ability to execute institutional domestic equity and fixed income transactions. The broker-dealers defined in this Subsection shall negotiate commission recapture agreements with the systems. The commissions recaptured under any such agreement shall not be a majority of the total value of the commissions required to be directed to the broker-dealers pursuant to the provisions of this Section.
- C. All trades shall be subject to best efforts and best executions as defined by the Securities and Exchange Commission and the Financial Industry Regulatory Authority.
- D. The provisions of Subsections A, B, C, and D of this Section shall be implemented as a temporary pilot program and shall be null, void, and of no effect after June 30, 2010. An interim cost analysis of the provisions of this Section shall be performed by the systems and shall be presented to the speaker of the House of Representatives, the president of the Senate, the chairmen of the House of Representatives and Senate committees on retirement, the Public Retirement Systems' Actuarial Committee, and the Commission on Public Retirement at least fourteen days before the convening of the regular legislative session in 2007, and again at least fourteen days before the convening of the regular legislative session in 2010.
- E. Each system to which this Section applies shall submit to the House and Senate committees on retirement quarterly and annual progress reports detailing the system's investments which comport with the provisions of this Section. Such reports shall continue notwithstanding the June 30, 2010, expiration of Subsections A, B, C, and D of this Section and shall be submitted as follows:
 - (1) An annual report for the year ending June 30, 2004, to be submitted on or before July 30, 2004.
 - (2) Quarterly reports beginning with the quarter ending September 30, 2004, to be submitted no more than thirty days after the end of the quarter.

§269. Disclosure; consultants; money managers

- (3) Annual reports beginning with the year ending June 30, 2005, to be submitted no more than thirty days after the end of the year.

Added by Acts 2003, No. 788, §1, eff. July 1, 2003. Amended by Acts 2004, No. 851, §1, eff. July 12, 2004; Acts 2005, No. 427, §1, eff. July 11, 2005; Acts 2007, No. 367, § 1, eff. July 1, 2007, Acts 2010, No. 7, §1, eff. May 19, 2010.

NOTE: See Acts 2003, No. 788, §2, relative to extension of pilot program

§267. Repealed by Acts 2010, No. 1004, §2, eff. July 1, 2010.

§268. Repealed by Acts 2010, No. 1004, §2, eff. July 1, 2010.

§269. Disclosure; consultants; money managers

- A. (1) Consultants and money managers shall provide full disclosure to the sponsor of each Louisiana public retirement or pension system, plan, or fund of conflicts of interest, including non-pension sponsor sources of revenue. Consultants also shall provide full disclosure of any payments they receive from money managers, in hard or soft dollars, for any services they provide, including but not limited to performance measurement, business consulting, and education.
- (2) Each consultant and money manager shall submit a written disclosure report semiannually to each system beginning July 1, 2005. A report shall be submitted regardless of whether the consultant or money manager has any conflict or payment to report. Should a reportable agreement be conflicted during any reporting period, the consultant or money manager shall notify the system of the agreement within seven business days.
- B. (1) Any consultant or money manager found to be in violation of Subsection A of this Section shall pay to the system, plan, or fund an amount of money equal to the value of the revenue or payments he failed to disclose together with any damages caused by the failure to disclose. Additionally, if the failure to disclose is intentional, the consultant or money manager shall pay to the system an amount equal to three times the value of the revenue or payment he failed to disclose as a penalty, in addition to any damages actually caused by the failure to disclose.
- (2) If the consultant or money manager provides services for more than one Louisiana public retirement or pension system, plan, or fund, the amounts in Paragraph (1) of this Subsection shall be paid to each such system to which he fails to make the required disclosure.

Added by Acts 2004, No. 686, §1, eff. July 5, 2004. Amended by Acts 2005, No. 9, §1, eff. May 27, 2005.

Subpart J. Unfunded Accrued Liability

§271. Purpose; elimination of unfunded accrued liability

- A. It is recognized that the legislative and executive branches of state government bear a responsibility with respect to the fiscal integrity of the state; that, in connection therewith, it is imperative that the public retirement systems of the state be maintained on a sound actuarial basis, and that such maintenance requires that the unfunded accrued liability of these systems be eliminated. The purpose of this Section is to provide for the furnishing of accurate actuarial data in order to facilitate the effective execution of this responsibility.
- B. The provisions of this Section are applicable to the following public retirement systems:
- (1) Assessors' Retirement Fund.
 - (2) Clerks of Court Retirement and Relief Fund.
 - (3) District Attorneys' Retirement System.
 - (4) Firefighters' Retirement System.
 - (5) Louisiana School Employees' Retirement System.
 - (6) Louisiana State Employees' Retirement System.
 - (7) Municipal Employees' Retirement System of Louisiana.
 - (8) Municipal Police Employees' Retirement System.
 - (9) Parochial Employees' Retirement System of Louisiana.
 - (10) Registrars of Voters Employees' Retirement System.
 - (11) Sheriffs' Pension and Relief Fund.
 - (12) Louisiana State Police Retirement System.
 - (13) Teachers' Retirement System of Louisiana.
- C. (1) On an annual fiscal year basis, at least ninety days prior to the convening of the legislature in regular session, using calculation methods and forms prescribed by the legislative auditor, the governing authority of each public retirement system referenced in Subsection B hereof shall submit to the legislative auditor the amount of funding, stated as a percentage of payroll,

– Revised Statutes –
§272. Early retirement eligibility

which is necessary to meet the system's normal cost and to amortize, at the valuation rate of interest, the system's unfunded accrued liability over a thirty-year period.

- (2) The legislative auditor shall review, and, when necessary, revise, and submit same to the governor and the legislature, along with his certification of the correctness thereof, and a report detailing the financial and actuarial history of the system and his recommendations relative thereto.

Acts 1984, No. 307, §1; Redesignated from R.S. 42:719 by Acts 1991, No. 74, §3, eff. June 25, 1991; Amended by Acts 2012, No. 227, §1, eff. August 1, 2012.

§272. Early retirement eligibility

A. Notwithstanding any other provision of law to the contrary, the provisions of this Section shall be applicable to all members of the following public retirement systems:

- (1) Louisiana State Employees' Retirement System,
- (2) Louisiana State Police Retirement System,
- (3) Louisiana School Employees' Retirement System,
- (4) Teachers' Retirement System of Louisiana,
- (5) Assessors' Retirement Fund,
- (6) Clerks' of Court Retirement and Relief Fund,
- (7) District Attorneys' Retirement System,
- (8) Municipal Employees' Retirement System of Louisiana,
- (9) Municipal Police Employees' Retirement System,
- (10) Firefighters' Retirement System,
- (11) Parochial Employees' Retirement System of Louisiana,
- (12) Registrar of Voters Employees' Retirement System, and
- (13) Sheriffs' Pension and Relief Fund.

B. Any member who, on September 1, 1985, has earned sufficient service credit to be eligible for a normal retirement on or before August 31, 1995, but has not, on September 1, 1985, attained the normal retirement age, shall, during the ten year period from September 1, 1985, through August 31, 1995, be eligible for an early

– Revised Statutes –
§272. Early retirement eligibility

retirement, regardless of age, with benefits reduced to a level which would be actuarially equivalent to a retirement at the normal retirement age using the normal retirement formula.

- C. The actuary for each of the systems specified in Subsection A of this Section shall develop reduction factors for use in computing the reduced benefit applicable to early retirement. However, in no event shall such benefit reduction be less than one percent for each calendar quarter by which the effective date of retirement is advanced before normal retirement eligibility.
- D. Any member who, on January 1, 1982, had earned ten years of service credit, shall be eligible for an early retirement, regardless of age, with benefits reduced to a level which would be actuarially equivalent to a retirement at the normal retirement age using the normal retirement formula and subject to the provisions contained in Subsection C of this Section.
- E. Notwithstanding any provision of law to the contrary, service credit originally earned on or before September 1, 1985, in a retirement system named in Subsection A of this Section shall be utilized to determine applicability of the provisions of Subsection B of this Section, even if the member received a refund of contributions for such service, provided that the member has repaid the refund prior to application for retirement.

Acts 1985, No. 154, §1, eff. July 6, 1985; Redesignated from R.S. 42:720 by Acts 1991, No. 74, §3, eff. June 25, 1991; Acts 1995, No. 132, §1; Acts 2012, No. 227, §1, eff. August 1, 2012; Acts 2012, No. 479, §1, eff. December 10, 2012.

Subpart K. Delinquent Contributions

§281. Failure to timely remit contributions; effect

A. Notwithstanding any other provisions of law to the contrary, the provisions of this Section shall be applicable to all members of the following public retirement systems:

- (1) Louisiana State Employees' Retirement System.
- (2) Louisiana School Employees' Retirement System.
- (3) Teachers' Retirement System of Louisiana.
- (4) Assessors' Retirement Fund.
- (5) Clerks' of Court Retirement and Relief Fund.
- (6) District Attorneys' Retirement System.
- (7) Firefighters' Retirement System.
- (8) Municipal Employees' Retirement System of Louisiana.
- (9) Municipal Police Employees' Retirement System.
- (10) Parochial Employees' Retirement System of Louisiana.
- (11) Registrars of Voters Employees' Retirement System.
- (12) Sheriffs' Pension and Relief Fund.

B. (1) Except as provided in Paragraph (2) of this Subsection, all payments of employers' contributions and employees' contributions, including any payments due from the state of Louisiana which are paid after becoming delinquent, shall include interest to be paid to the retirement system at the rate of legal interest computed from the date the payment became delinquent.

(2) For any employer who is unable to make the required contributions on a timely basis as a consequence of Hurricane Katrina or Rita, or both, no interest shall be assessed or payable on contributions which were due for August or September 2005, for the first two months of delinquency.

Acts 1988, No. 301, §1; Redesignated from R.S. 42:720.30 by Acts 1991, No. 74, §3, eff. June 25, 1991; Acts 1993, No. 758, §1, eff. June 22, 1993; Acts 2005, 1st Ex. Sess., No. 44, §1, eff. Dec. 6, 2005.

NOTE: See Acts 2005, 1st Ex. Sess., No. 44, §2, relative to retroactive application.

Subpart L. Applicability of Certain Legal Determinations

§291. Community property interest

- A. Notwithstanding any other provision of law to the contrary, any benefit or a return of employee contributions shall be subject to a temporary restraining order or injunction issued by a court in connection with an action which would result in a termination of the community property regime or partition of community assets and liabilities after such termination, which order or injunction involves a member or retiree of a state or statewide retirement system and his/her spouse or former spouse, and provides that community assets not be disbursed, disposed of, alienated, or otherwise incumbered, but only after a certified copy of such order or judgment is received by the retirement system.

- B. Notwithstanding any other provision of law to the contrary, any benefit or a return of employee contributions shall be subject to a court order issued by a court upon or after termination of a community property regime, which order recognizes the community interest of a spouse or former spouse of a member or retiree of the retirement system and provides that a benefit or a return of employee contributions be divided by the retirement system with the spouse or former spouse, but only after a certified copy of such order has been received by the retirement system and has been determined by the retirement system to be in compliance with applicable laws, rules, and regulations governing the retirement system.

- C. Repealed by Acts 1995, No. 592, §2, eff. July 1, 1995.

- D. In connection with Subsection B of this Section, each state or statewide retirement system may promulgate rules establishing requirements with which a court order must comply.

- E. In those instances in which no certified copy of an injunction, temporary restraining order, or court order for division of a benefit or a return of employee contributions has been received and/or approved as required by this Section, a state or statewide retirement system shall pay the entire amount of any benefit or return of employee contributions to the member, retiree, designated beneficiary, survivor benefit recipient, or the estate of a deceased member and payment so made shall constitute a release of all accrued rights of every kind and nature against the retirement system, including but not limited to community property rights of a spouse or former spouse and any rights of an heir or legatee of such spouse or former spouse.

- F. In those instances in which the spouse or former spouse with whom a retirement system is to divide a benefit or a return of employee contributions under the provisions of this Section dies, the retirement system shall pay the entire amount of the benefit or return of employee contributions to the member, retiree, designated

§292. Seizure for child support; garnishment or seizure related to felony convictions

beneficiary, survivor benefit recipient, or the estate of a deceased member and payment so made shall constitute a release of all accrued rights of every kind and nature against the retirement system including but not limited to any rights of an heir or legatee of the spouse or former spouse.

- G. A state or statewide retirement system shall not pay any funds to any persons until such funds normally become payable as provided by the laws governing the retirement system.

Acts 1989, No. 67, §1; Redesignated from R.S. 42:720.40 by Acts 1991, No. 74, §3, eff. June 25, 1991; Acts 1993, No. 723, §1, eff. July 1, 1993; Acts 1995, No. 592, §§1, 2, eff. July 1, 1995.

§292. Seizure for child support; garnishment or seizure related to felony convictions

- A. Notwithstanding any other provision of law to the contrary, any retirement allowance, benefit, or refund of accumulated contributions paid to any member, former member, or retiree under the provisions of any public retirement system, or the portion of a retirement allowance, benefit, or refund of accumulated contributions paid to a spouse or former spouse under the provisions of R.S. 11:291, shall be subject to garnishment or court-ordered assignment to pay child support.

- B. (1) Notwithstanding any other provision of law to the contrary, any pension, retirement allowance, or benefit, or any refund of accumulated contributions payable to any member, former member, or retiree under the provisions of any public pension or retirement system, plan, or fund shall be subject to garnishment under a writ of fieri facias to pay any court-ordered restitution or fine, or any costs of incarceration, probation, or parole, imposed on such member, former member, or retiree as a result of a conviction of or a plea of guilty or nolo contendere to the commission of a felony for misconduct associated with such person's service as an elected official or public employee for which credit in the system, plan, or fund was earned or accrued, the commission of which felony occurred on or after July 1, 2010.

- (2) Notwithstanding any other provision of law to the contrary, a garnishment authorized pursuant to this Subsection shall not impinge on the community property interest of a spouse or former spouse not subject to the garnishment.

- (3) Notwithstanding any other provision of law to the contrary, a garnishment authorized pursuant to this Subsection may be continuing in nature as necessary to pay the court-ordered restitution or fine in full.

Acts 1986, No. 767, §9; Redesignated from R.S. 42:720.21 by Acts 1991, No. 74, §3, eff. June 25, 1991; Acts 2004, No. 706, §1, eff. July 6, 2004; Acts 2010, No. 634, §1, eff. July 1, 2010.

§293. Forfeiture of retirement benefits; public corruption crimes

§293. Forfeiture of retirement benefits; public corruption crimes

A. As used in this Section, the following words or phrases shall have the following meanings:

- (1) “Conviction” or “convicted” means a criminal conviction, guilty plea, or plea of nolo contendere that is final, and all appellate review of the original trial court proceedings is exhausted.
- (2) “Public corruption crime” means a state or federal felony committed on or after January 1, 2013, in which the sentencing judge finds the public servant acted willfully and in the course and scope of his official capacity and the evidence establishes either of the following:
 - (a) The public servant realized or attempted to realize a financial profit or a financial gain for himself or for a third party.
 - (b) The public servant committed any criminal sexual act with or upon the person of a minor, and there was a direct association between the public servant and the minor related to the public servant’s employment.
- (3) “Public retirement system” means any state, statewide, or any local public retirement system, plan, or fund.
- (4) “Public servant” means a public employee or an elected official as defined in R.S. 42:1102 who is a member, former member, deferred retirement option plan participant, or retiree under the provisions of any public retirement system and who meets any of the following criteria:
 - (a) His first employment making him eligible for membership in a public retirement system began on or after January 1, 2013.
 - (b) He was employed in a position making him eligible for membership in a public retirement system prior to January 1, 2013, but he terminated his service prior to that date and is reemployed in such a position on or after that date.
 - (c) He assumes an elective office on or after January 1, 2013, and by virtue of that service or previous public service he is eligible for membership in a public retirement system.

B. (1) Following the conviction of a public corruption crime, the sentencing court shall determine if the conviction warrants forfeiture as provided in this Subsection or garnishment as provided in R.S. 11:292. In order to determine the appropriate remedy the sentencing court shall review the following factors:

- (a) The nature of the offense.

§293. Forfeiture of retirement benefits; public corruption crimes

- (b) The prior service of the public servant and the appropriateness of any mitigating factors.
- (2) (a) If the court determines that forfeiture is appropriate, the court may order the forfeiture of the public servant's right to receive any benefit or payment of any kind under this Title except a return of the amount contributed by the public servant to the retirement system without interest, subject to Subparagraph (b) of this Paragraph.
- (b) If the court orders the public servant to make restitution to the state or any political subdivision of the state for monetary loss incurred as a result of the public corruption crime for which he is convicted, the court may order restitution to be paid from the amount contributed by the public servant to the retirement system.
- (c) Subject to the requirements of Paragraph (3) of this Subsection, the court may award to the member's spouse, dependent, or former spouse, as an alternate payee, some or all of the amount that, but for the order of forfeiture under Subparagraph (a) of this Paragraph, may otherwise be payable. Upon order of the court, the retirement system shall provide information concerning the member's membership that the court considers relevant to the determination of the amount of an award under this Subparagraph. The system shall also calculate the spousal share of the public servant's benefit for the sentencing court in accordance with existing community property law. Any dependent's share shall be calculated in the same manner as a spousal share. In determining the award, the court shall consider the totality of the circumstances, including but not limited to:
 - (i) The role, if any, of the member's spouse, dependent, or former spouse in connection with the crime.
 - (ii) The degree of knowledge, if any, possessed by the member's spouse, dependent, or former spouse in connection with the crime.
- (3) An award ordered under Subparagraph (2)(c) of this Subsection may not require the retirement system to:
 - (a) Provide a type or form of benefit or an option not otherwise provided by the retirement system.
 - (b) Provide increased benefits determined on the basis of actuarial value.
 - (c) Take an action contrary to the system's governing laws or plan provisions other than the direct payment of the benefit awarded to the spouse, dependent, or former spouse.

§293. Forfeiture of retirement benefits; public corruption crimes

- (4) All of the convicted public servant's service credit attributable to employer contributions and interest on those contributions that are not otherwise assigned pursuant to Subparagraph (2)(c) of this Subsection shall be forfeited, and any dollar amount of such employer contributions and interest, together with any funds in the individual's deferred retirement option plan account, shall be applied to reducing the balance of the unfunded accrued liability of the system in a manner determined by the system's board of trustees. If the system has no unfunded accrued liability, the employer contributions and interest shall revert to the system's trust.
- C. Notwithstanding the provisions of Subsection B of this Section, survivor benefits being received by the surviving unmarried spouse, the surviving minor child, or the surviving child with a physical or mental disability who is entitled to a survivor benefit of a deceased public servant convicted of a public corruption crime shall be based solely on the amount of the public servant's benefit forfeited to the retirement system and shall not be based on any amount remitted to the public servant.
- D. No provision of this Section shall impinge on any judicially recognized community property interest of a current or former spouse.
- E. Each public retirement system shall create an attestation form explaining the provisions of this Section and shall provide such attestation form to each employing agency. Each employing agency shall provide every public servant with such attestation form and such public servant shall be required to sign the form indicating that he has read it and understands the contents thereof.
- F. (1) A parish prosecutor shall inform the secretary of the Department of Public Safety and Corrections in writing when a conviction for a state public corruption crime is entered against a person who the prosecutor knows, or has reason to believe, is a member of a public retirement system and who is subject to the provisions of this Section. The secretary shall compile such information and transmit it to the appropriate public retirement system.
- (2) The secretary of state, upon being notified by a United States attorney of a felony conviction for a federal public corruption crime, whether or not such conviction qualifies as a conviction as defined by this Section, shall promptly transmit to each public retirement system information pertaining to such conviction.
- G. The provisions of this Section shall apply only to benefits earned on or after January 1, 2013.

Added by Acts 2012, No. 479, § 1, eff. Dec. 10, 2012. Amended by Acts 2014, No. 811, §4 eff. June 23, 2014.

Subpart M. Commission on Public Retirement

§ 301 to 309. Repealed by Acts 2011, No. 207, §1, eff. August 15, 2011.

Subpart N. Investments in Prohibited Nations

§311. Purpose

The purpose of this Subpart is to assure the members and retirees of the state and statewide retirement systems, the state and her political subdivisions as employers, and the taxpayers of Louisiana that the monies held in trust for the benefit of public employees are not used directly or indirectly to support terrorist activities.

Added by Acts 2005, No. 9, §1, eff. May 27, 2005.

§312. Application, definitions

A. The provisions of this Subpart shall apply to the following public retirement or pension systems, plans, or funds:

- (1) Assessors' Retirement Fund.
- (2) Clerks' of Court Retirement and Relief Fund.
- (3) District Attorneys' Retirement System.
- (4) Firefighters' Retirement System.
- (5) Louisiana School Employees' Retirement System.
- (6) Louisiana State Employees' Retirement System.
- (7) Municipal Police Employees' Retirement System.
- (8) Municipal Employees' Retirement System of Louisiana.
- (9) Parochial Employees' Retirement System of Louisiana.
- (10) Registrars of Voters Employees' Retirement System.
- (11) Sheriffs' Pension and Relief Fund.
- (12) Louisiana State Police Retirement System.
- (13) Teachers' Retirement System of Louisiana.

B. As used in this Subpart, the following terms shall have the following meanings, unless a different meaning is clearly required by context:

- (1) "Company" means any foreign domiciled or based entity, real or juridical, which is not a subsidiary of nor owned in whole or in part by any domestic company, and which is engaged in an enterprise for financial gain.

§314. Constructive engagement; direct ownership of securities

- (2) “Prohibited nation” means Iran, North Korea, Sudan, or Syria.
- C. (1) Each system or fund to which this Subpart applies shall provide semiannual written reports to the House of Representatives and Senate committees on retirement regarding any investments of that system in any company having facilities or employees or both located in a prohibited nation. The report shall include the name of each such company, the asset allocation class and sector to which it belongs pursuant to the board’s asset allocation policy, and the amount of system funds invested therein.
- (2) The first report shall be due October 31, 2005, and shall contain information for the six-month period ending September 15, 2005. The second report shall be due August 15, 2006, and shall contain information for the period from September 16, 2005 through June 30, 2006. Beginning February 15, 2007, and thereafter, reports shall be due by the fifteenth day of February, containing information for the six-month period ending December thirty-first, and by the fifteenth of August, containing information for the six-month period ending June thirtieth in each calendar year.
- (3) Each system’s money managers shall be responsible for supplying to the system all information necessary to complete the reports in a timely manner as required by this Subsection.
- D. Each system shall adopt rules necessary to implement the provisions of this Subpart, including the provisions of Paragraph (C)(3) of this Section.

Added by Acts 2005, No. 9, §1, eff. May 27, 2005; Amended by Acts 2007, No. 352, §1; Acts 2012, No. 227, §1, eff. August 1, 2012.

§313. Prudent-man rule; investments

Notwithstanding the prudent-man rule, a system board of trustees may but is not required to divest itself of any holding in a company having facilities or employees, or both, located in a prohibited nation as that term is defined in R.S. 11:312(B)(2).

Added by Acts 2007, No. 352, §1.

§314. Constructive engagement; direct ownership of securities

- A. Each system, plan, or fund, referred to in this Section as “system”, to which this Subpart applies shall adopt and implement a corporate governance strategy of constructive engagement of each company, in which the system has a direct ownership of securities, having facilities or employees or both located in a prohibited nation. Such corporate governance strategy of constructive engagement shall contain a plan of system action to cause any such company to remove facilities, employees, or both from any prohibited nation. Such plan of system action shall be implemented by not later than one hundred twenty days after August 15, 2007.

§314. Constructive engagement; direct ownership of securities

The system shall continue to implement such plan of system action with respect to a particular company for the period of time that the system continues to possess an ownership interest in the company. As part of each system's corporate governance strategy of constructive engagement, the system shall make its best efforts to identify all such companies. Such efforts shall include all of the following:

- (1) Reviewing and analyzing publicly available information regarding companies having facilities or employees or both located in a prohibited nation, including information provided by but not limited to nonprofit organizations, research firms, international organizations, and government entities.
- (2) Contacting and obtaining information from asset managers contracted by the systems who invest on behalf of the system in companies having facilities or employees or both located in a prohibited nation.
- (3) Contacting and obtaining information from other institutional investors, including other public pension systems, that have divested themselves of investments in companies having facilities or employees or both located in a prohibited nation.

B. Such corporate governance strategy of each system to which this Section applies shall require the system to form strategic shareholder alliances, whether formal or informal, with other public pension systems that have a common ownership interest with the system in any company having facilities or employees or both in a prohibited nation for the purpose of effecting change in the company's policy so as to cause the company to remove its facilities, employees, or both from any prohibited nation. In pursuing such shareholder alliances, the following provisions shall apply:

- (1) The systems to which this Section applies shall semiannually provide to each other a list of companies in which the system invests that have facilities or employees or both located in a prohibited nation. If any systems to which this Subpart applies possess common ownership interests in such companies, those systems shall form a strategic shareholder alliance, whether formal or informal, for the purpose of influencing such companies to cease having facilities or employees or both located in a prohibited nation.
- (2) Each system to which this Section applies shall, separately or jointly with another system that is a member of a strategic shareholder alliance under this Section, submit semiannually, to each such company having facilities or employees or both located in a prohibited nation, a notice that provides for all of the following:
 - (a) Informs such company of the requirements of this Subpart and of the company's status as having facilities or employees or both located in a prohibited nation.

§315. Constructive engagement; securities held in a collective fund

- (b) Requests that such company refrain from continuing to have facilities or employees or both located in a prohibited nation.
 - (c) Details the nature of any strategic shareholder alliance of which the system is a member pursuant to this Section, which notice shall include a list of systems, whether this Subpart applies to those systems or not, making up such alliance.
 - (d) Details the percentage of shares that each member of the strategic shareholder alliance possesses.
 - (e) Informs such company that it may become subject to divestment by the systems in the shareholder alliance if such company continues having facilities or employees or both located in a prohibited nation.
- C. Each system to which this Section applies shall adopt rules necessary to implement the provisions of this Section.
- D. Each system to which this Section applies shall report compliance with this Section to the House of Representatives and Senate committees on retirement as part of the report submitted pursuant to R.S. 11:312(C).

Added by Acts 2007, No. 352, §1.

§315. Constructive engagement; securities held in a collective fund

- A. Each system, plan, or fund, referred to in this Section as “system”, to which this Subpart applies shall adopt and implement a corporate governance strategy of constructive engagement of any collective fund investment manager or advisor, requesting such manager or advisor to constructively engage each company having facilities or employees or both located in a prohibited nation in which the system possesses an indirect ownership interest through investment in any such collective fund, excluding private equities and hedge funds. Such corporate governance strategy of constructive engagement shall contain a plan of system action to cause any such collective fund to in turn cause any such company to remove facilities, employees, or both from any prohibited nation. Such plan of system action shall be implemented by not later than one hundred twenty days after August 15, 2007. The system shall continue to implement such plan of system action with respect to a particular collective fund for the period of time that the system continues to possess an indirect ownership interest in the company through the collective fund investment. As part of each system’s corporate governance strategy of constructive engagement, the system shall make its best efforts to identify all such companies. Such efforts shall include:

§315. Constructive engagement; securities held in a collective fund

- (1) Reviewing and analyzing publicly available information regarding companies having facilities or employees or both located in a prohibited nation, including information provided by but not limited to nonprofit organizations, research firms, international organizations, and government entities.
 - (2) Contacting and obtaining information from asset managers contracted by the systems who invest on behalf of the system in companies having facilities or employees or both located in a prohibited nation.
 - (3) Contacting and obtaining information from other institutional investors, including other public pension systems, that have divested themselves of investments in companies having facilities or employees or both located in a prohibited nation.
- B. Such corporate governance strategy of each system to which this Section applies shall require the system to form strategic alliances, whether formal or informal, with other public pension systems that have a common ownership interest with the system in any company having facilities or employees or both in a prohibited nation through participation in the same collective fund, excluding private equities or hedge funds, for the purpose of effecting change in the company's policy so as to cause the company to remove its facilities, employees, or both from any prohibited nation. In pursuing such alliances, the following provisions shall apply:
- (1) The systems to which this Section applies shall semiannually provide to each other a list of companies that have facilities or employees or both located in a prohibited nation in which the system invests through participation in the same collective fund, excluding private equities or hedge funds. If any systems to which this Subpart applies possess such common ownership interests in such companies, those systems shall form a strategic alliance, whether formal or informal, for the purpose of influencing such companies to cease having facilities or employees or both located in a prohibited nation.
 - (2) Each system to which this Section applies shall, separately or jointly with another system that is a member of a strategic alliance under this Section, submit semiannually to the investment manager or advisor of any collective fund, requesting any such collective fund manager or advisor to submit to each such company having facilities or employees or both located in a prohibited nation, a notice that provides for all of the following:
 - (a) Informs such company of the requirements of this Subpart and of the company's status as having facilities or employees or both located in a prohibited nation.
 - (b) Requests that such company refrain from continuing to have facilities or employees or both located in a prohibited nation.

- (c) Details the nature of any strategic alliance of which the system is a member pursuant to this Section, which notice shall include a list of systems, whether this Subpart applies to those systems or not, making up such alliance.
 - (d) Details the percentage of shares that each member of the strategic alliance possesses.
 - (e) Informs such company that it may become subject to divestment by the systems in the strategic alliance if such company continues having facilities or employees or both located in a prohibited nation.
- C. Each system to which this Section applies shall adopt rules necessary to implement the provisions of this Section.
- D. Each system to which this Section applies shall report compliance with this Section to the House of Representatives and Senate committees on retirement as part of the report submitted pursuant to R.S. 11:312(C).

Acts 2007, No. 352, §1; Acts 2008, No. 220, §4, eff. June 14, 2008.

§316. Terror-free index fund

- A. As used in this Section, the following terms shall have the following meaning unless a different meaning is clearly required by the context:
- (1) “Screened equities” means stocks or other ownership interest in a company identified as having facilities or employees or both located in a prohibited nation, which equities are excluded from the terror-free index fund.
 - (2) “Terror-free equities” means equities in companies not identified as having facilities or employees or both located in a prohibited nation.
 - (3) “Terror-free index fund” means an international index fund which identifies equities in companies having facilities or employees or both located in a prohibited nation and excludes them from the fund.
- B. Each system or fund to which this Subpart applies that has an investment strategy which includes allocation to international markets shall, within sixty days after August 15, 2007, communicate with investment managers with international investment experience for the establishment of an international terror-free index fund which identifies and excludes from the fund companies having facilities or employees or both in a prohibited nation. The communication shall stipulate that, as part of managing such fund, the manager will replace the screened equities with comparable equities or will adjust the weighting of remaining equities held in a system’s portfolio. Each system having an investment strategy which includes

– Revised Statutes –
§316. Terror-free index fund

allocation to international markets shall, within one hundred eighty days after August 15, 2007, allocate a portion of its international investments to such terror-free index.

- C. If a system having an investment strategy which includes allocation to international markets does not possess sufficient assets to meet the minimum investment required by the manager to create a terror-free index fund on the system's behalf alone, such system shall join an existing terror-free index fund established pursuant to this Section, or shall join with another system to meet such minimum investment requirements for the purpose of establishing a terror-free index fund common to those systems.
- D. Each system shall adopt rules necessary to implement the provisions of this Section.
- E. Each system shall report compliance with this Section to the House of Representatives and Senate committees on retirement as part of the report submitted pursuant to R.S. 11:312(C).
- F. Nothing in this Section shall require a system to invest in international markets or to utilize collective funds or index funds for such purpose unless otherwise part of the investment strategy adopted by the system. If a system invests in international markets and utilizes collective funds or index funds for such purpose, this Section shall apply.

Acts 2007, No. 352, §1; Acts 2008, No. 220, §4, eff. June 14, 2008.

§321. Withdrawal of funds from DROP accounts by active employees; Hurricane Katrina

Subpart O. Disaster Relief

§321. Withdrawal of funds from Deferred Retirement Option Plan accounts by active employees; Hurricane Katrina

- A. For purposes of this Section, “retirement system” shall mean any public retirement system in the state.
- B. Notwithstanding any other provision of law to the contrary, an individual who is participating or who has participated in the Deferred Retirement Option Plan (DROP) or comparable plan of his retirement system and who is still employed in a position covered by that system shall be allowed to withdraw up to one hundred thousand dollars of all or part of the funds in his DROP account under the provisions of this Section.
- C. Such an individual may withdraw funds from his DROP account provided all of the following requirements are met:
- (1) On August 28, 2005, the individual was domiciled in a parish which has been designated under the Robert T. Stafford Disaster Relief and Emergency Assistance Act as eligible for individual assistance or individual assistance and public assistance.
 - (2) The individual sustained an economic loss by reason of Hurricane Katrina.
 - (3) The aggregate amount of such distributions from the account does not exceed one hundred thousand dollars.
 - (4) Any distribution is made on or after August 25, 2005, and on or before December 31, 2006.
- D. (1) If, pursuant to this Section, an individual receives a qualified Hurricane Katrina distribution, the amount of such distribution shall be included in income by the retirement system, generally ratable over the year of the distribution and the following two years in accordance with the Katrina Emergency Tax Relief Act of 2005, referred to in this Section as the “Act”, unless the individual elects in writing not to have the ratable distribution apply for any taxable year.
- (2) The individual shall be responsible for filing an amended return or returns to claim a refund of the tax attributable to the amount previously included in income if the individual so qualifies under the Act.
 - (3) Each retirement system shall advise each individual receiving a Hurricane Katrina distribution pursuant to this Section of potential state and federal tax consequences.

§322. Withdrawal of funds from DROP accounts by active employees; Hurricane Rita

- E. Each retirement system shall promulgate any rules necessary to implement the provisions of this Section.
- F. The provisions of this Section shall supersede any provision of law to the contrary, including but not limited to R.S. 11:449(C), 450(B), 789(B), 1152(H), 1312(J), 1456(I)(2), 1530(J)(2), 1642(B), 1763(J), 1938(J)(2), 2144(I), 2221(J)(1), 2257(J)(2), 3005.1(J)(1)(c), 3039.1(J)(2), 3200(12), 3232(K), 3294(G), 3385.1(K)(2), 3551, and 3685(B)(10)(b).

Added by Acts 2005, 1st Ex.Sess., No. 50, §1, eff. Dec. 6, 2005.

§322. Withdrawal of funds from Deferred Retirement Option Plan accounts by active employees; Hurricane Rita

- A. For purposes of this Section, “retirement system” shall mean any public retirement system in the state.
- B. Notwithstanding any other provision of law to the contrary, an individual who is participating or who has participated in the Deferred Retirement Option Plan (DROP) or comparable plan of his retirement system and who is still employed in a position covered by that system shall be allowed to withdraw up to one hundred thousand dollars of all or part of the funds in his DROP account under the provisions of this Section.
- C. Such an individual may withdraw funds from his DROP account provided all of the following requirements are met:
 - (1) On September 22, 2005, the individual was domiciled in a parish which has been designated under the Robert T. Stafford Disaster Relief and Emergency Assistance Act as eligible for individual assistance or individual assistance and public assistance.
 - (2) The individual sustained an economic loss by reason of Hurricane Rita.
 - (3) The aggregate amount of such distributions from the account does not exceed one hundred thousand dollars.
 - (4) Any distribution is made on or after September 19, 2005, and on or before December 31, 2006.
- D. (1) If, pursuant to this Section, an individual receives a qualified Hurricane Rita distribution, the amount of such distribution shall be included in income by the retirement system, generally ratable over the year of the distribution and the following two years, unless the individual elects in writing not to have the ratable distribution apply for any taxable year.

§323. DROP participation; members terminated due to hurricanes

- (2) The individual shall be responsible for filing an amended return or returns to claim a refund of the tax attributable to the amount previously included in income if the individual so qualifies.
 - (3) Each retirement system shall advise each individual receiving a Hurricane Rita distribution pursuant to this Section of potential state and federal tax consequences.
- E. Each retirement system shall promulgate any rules necessary to implement the provisions of this Section.
- F. The provisions of this Section shall supersede any provision of law to the contrary, including but not limited to R.S. 11:449(C), 450(B), 789(B), 1152(H), 1312(J), 1456(I)(2), 1530(J)(2), 1642(B), 1763(J), 1938(J)(2), 2144(I), 2221(J)(1), 2257(J)(2), 3005.1(J)(1)(c), 3039.1(J)(2), 3200(12), 3232(K), 3294(G), 3385.1(K)(2), 3551, and 3685(B)(10)(b).

Added by Acts 2005, 1st Ex.Sess., No. 61, §1, eff. Dec. 6, 2005.

§323. Deferred Retirement Option Plan participation; members terminated due to hurricanes

- A. The provisions of this Section shall apply to the following state and statewide retirement systems:
- (1) The Louisiana School Employees' Retirement System, and
 - (2) The Teachers' Retirement System of Louisiana, and
 - (3) The Louisiana State Employees' Retirement System, and
 - (4) The Assessors' Retirement Fund, and
 - (5) The Clerks' of Court Retirement and Relief Fund, and
 - (6) The District Attorneys' Retirement System, and
 - (7) The Municipal Employees' Retirement System of Louisiana, and
 - (8) The Parochial Employees' Retirement System of Louisiana, and
 - (9) The Registrars of Voters Employees' Retirement System, and
 - (10) The Municipal Police Employees' Retirement System, and
 - (11) The Firefighters' Retirement System.

- B. Notwithstanding any provision of law to the contrary, any employee who is a member of a retirement system to which this Section applies, who has not retired, whose participation in the Deferred Retirement Option Plan of that system was interrupted or ceased upon his being terminated due to a reduction-in-force necessitated by Hurricane Katrina or Hurricane Rita or both, shall have the time period applicable to his plan participation adjusted upon his reemployment and resumption of membership in the retirement system to which he belonged before being terminated. The time period applicable to his plan participation shall be calculated as provided in this Section. However, in no case shall this Section be applicable to anyone who becomes reemployed more than one year after being furloughed or terminated, whichever occurs first, or to anyone reemployed on or after December 31, 2006.
- C. Any person to whom this Section applies who began participation on or before September 24, 2005, but who had not completed his specified participation period shall reenter the plan upon reemployment and his participation period shall resume. The total duration of the person's participation in the plan before termination and after reentry shall not exceed the plan participation period he specified upon initial entry into the plan. Any interest credited to the person's plan account during the period between furlough or termination and reemployment shall be forfeited.
- D. The provisions of this Section shall supersede any provision of law to the contrary, including but not limited to R.S. 11:447(C), 786(B), 1152(C), 1456(C) and (D), 1530(C) and (D), 1639(B), 1763(C) and (D), 1938(C) and (D), 2144(C) and (D), 2221(C) and (D), and 2257(C) and (D), to the extent there is any conflict.

Added by Acts 2006, 1st Ex.Sess., No. 17, § 1, eff. Feb. 23, 2006. Amended by Acts 2006, No. 678, § 1, eff. June 29, 2006.

§§324 to 350. [Blank]

§§351, 352.

Note: Sections enacted as R.S. 11:351 and 11:352 by Acts 2005, No. 9, §1, prohibiting the investment of public employee retirement funds in certain countries, were redesignated as R.S. 11:311 and 11:312, respectively, pursuant to the statutory revision authority of the Louisiana State Law Institute.

Subtitle II. State Systems

Chapter 1. Louisiana State Employees' Retirement System **Part I. General Provisions**

§401. Establishment of retirement system

There shall be a retirement system which shall be under the management of a board of trustees for the purpose of providing retirement allowances and other benefits under the provisions of this chapter for state officers and employees and their beneficiaries.

Acts 1972, No. 135, §1, eff. July 26, 1972; Redesignated from R.S. 42:541 by Acts 1991, No. 74, §3, eff. June 25, 1991.

§402. Name of system

The system established by R.S. 11:401 shall be a state agency and shall have the power and privileges of a corporation. It shall be known as the "Louisiana State Employees' Retirement System" or as "Lasers". It shall be authorized to transact business and to invest in, hold, and sell cash, securities, property, and other assets in its own name or in such nominee names as the board of trustees may authorize from time to time. All records covering the contributions of the employer and the members shall be maintained by the board of trustees.

Acts 1972, No. 135, §1, eff. July 26, 1972. Amended by Acts 1989, No. 217, §1; Redesignated from R.S. 42:542 by Acts 1991, No. 74, §3, eff. June 25, 1991. Amended by Acts 1991, No. 863, §1.

§403. Definitions

The following words and phrases used in this Chapter shall have the following meanings, unless a different meaning is clearly required by the context:

- (1) "Accumulated contributions" means the sum of all amounts paid by a member, excluding interest paid on the repayment of a refund, and credited to his individual account in the employee's savings account, together with regular interest credited prior to July, 1969.
- (2) "Actuarial equivalent" means a benefit of equivalent value to the accumulated contributions, annuity or benefits and regular interest, as the case may be, computed on the basis of the following assumptions:
 - (a) Interest shall be compounded annually at a rate established by the board and adopted by the Public Retirement Systems' Actuarial Committee.
 - (b) Annuity rates shall be determined on the basis of the 1971 Group Annuity Tables adjusted on a unisex table basis; however, no optional benefit which accrued prior to September 3, 1984, shall be less than the benefits would be as converted under the definition of actuarial equivalent as provided herein.

§403. Definitions

- (3) “Actuarial tables” means the tables of mortality and rates of interest adopted by the board.
- (4) “Agency” means any governmental body employing persons and includes departments, agencies, boards, commissions, and courts.
- (5) (a) (i) “Average compensation”, for a member whose first employment making him eligible for membership in the system began on or before June 30, 2006, and for any person who receives an additional benefit pursuant to R.S. 11:444(A)(2)(b) or (c), 557, 582, or 602 or R.S. 24:36 whose first employment making him eligible for membership in one of the state systems occurred on or before December 31, 2010, means the average annual earned compensation of a state employee for the thirty-six highest months of successive employment, or for the highest thirty-six successive joined months of employment where interruption of service occurred; however, average compensation for part-time employees who do not use thirty-six months of full-time employment for average compensation purposes shall be based on the base pay the part-time employee would have received had he been employed on a full-time basis.
 - (ii) The earnings to be considered for the thirteenth through the twenty-fourth month shall not exceed one hundred twenty-five percent of the earnings of the first through the twelfth month. The earnings to be considered for the final twelve months shall not exceed one hundred twenty-five percent of the earnings of the thirteenth through the twenty-fourth month. Nothing in this Subparagraph, however, shall change the method of determining the amount of earned compensation received.
- (b) (i) “Average compensation”, for a member whose first employment making him eligible for membership in the system began on or after July 1, 2006, and subject to the limitations provided in this Subparagraph, means the average annual earned compensation of a state employee for the sixty highest months of successive employment or for the highest sixty successive joined months of employment where interruption of service occurred; however, average compensation for part-time employees who do not use sixty months of full-time employment for average compensation purposes shall be based on the base pay the part-time employee would have received had he been employed on a full-time basis. This Item shall also be applicable to any judge, court officer, governor, lieutenant governor, clerk or sergeant-at-arms of the House of Representatives, secretary or sergeant-at-arms of the Senate, or state treasurer whose first employment making him eligible for membership in one of the state systems occurred on or after January 1, 2011.

§403. Definitions

- (ii) The earnings to be considered for persons to whom Item (i) of this Subparagraph applies for the thirteenth through the twenty-fourth month shall not exceed one hundred fifteen percent of the earnings of the first through the twelfth month. The earnings to be considered for the twenty-fifth through the thirty-sixth month shall not exceed one hundred fifteen percent of the earnings of the thirteenth through the twenty-fourth month. The earnings to be considered for the thirty-seventh through the forty-eighth month shall not exceed one hundred fifteen percent of the earnings of the twenty-fifth through the thirty-sixth month. The earnings for the final twelve months shall not exceed one hundred fifteen percent of the earnings of the thirty-seventh through the forty-eighth month. The limitations on the computation of average compensation contained in this Item shall not apply to any twelve-month period during which compensation increased by more than fifteen percent over the previous twelve-month period solely because of an increase in compensation by a uniform systemwide increase adopted by the state Department of Civil Service and approved by the governor or because of a pay adjustment enacted by the legislature. This Item shall also be applicable to any judge, court officer, member of the Louisiana Legislature, governor, lieutenant governor, clerk or sergeant-at-arms of the House of Representatives, secretary or sergeant-at-arms of the Senate, or state treasurer whose first employment making him eligible for membership in one of the state systems occurred on or after January 1, 2011.
 - (iii) The provisions of this Subparagraph shall not apply to any person who receives an additional benefit pursuant to R.S. 11:444(A)(2) (b) or (c), 557, 582, or 602 or R.S. 24:36 whose first employment making him eligible for membership in one of the state systems occurred on or after January 1, 2011.
- (6) “Base pay” means prescribed compensation for a specific position on a full-time basis, but does not include overtime, per diem, differential pay, payment in kind, premium pay, or any other allowance for expense authorized and incurred as an incident to employment, except supplemental pay for certain members as provided by Article X, Section 10(A)(1) of the Louisiana Constitution of 1974. Employees who work biweekly eighty-hour schedules shall have their earned compensation for such regularly scheduled work considered as part of base pay even if some of these hours are defined as overtime for the purpose of the Fair Labor Standards Act.
 - (7) “Beneficiary” means any person designated by the member or legally entitled to receive a retirement allowance, an annuity, or other benefit.
 - (8) “Board” means the Board of Trustees of the Louisiana State Employees’ Retirement System.

§403. Definitions

- (9) “Creditable service” means prior service plus membership service for which credit is allowable as provided in this Chapter.
- (10) “Earned Compensation” means the base pay earned by an employee for a given pay period as reported to the system on a monthly basis by the agency which shall include the cash value of any emolument of office in the form of paid compensation in lieu of salary which is subject to federal and state payroll taxes and includes the full amount earned by an employee, overtime, and per diem earned by an employee of the House of Representatives, the Senate, or an agency of the legislature, and expense allowances and per diem paid to members of the legislature, the clerk, or sergeant at arms of the House of Representatives and president and secretary or sergeant at arms of the Senate.
- (11) “Employee” means any person legally occupying a position in the state service.
- (12) “Employer” means the state of Louisiana or any of its boards, commissions, departments, agencies, and courts which are contributing members of the Louisiana State Employees’ Retirement System.
- (13) “Fiscal year” means the period beginning July first of any year and ending June thirtieth of the next succeeding year.
- (14) “Intermittent employee” means an employee working an indefinite schedule on an “as needed” basis.
- (15) “Job appointment” means employment for a fixed period not to exceed two years.
- (16) “Medical board” shall mean the State Medical Disability Board.
- (17) “Member” means any person included in the membership of the system.
- (18) “Membership service” means service after July 1, 1947 as an employee while a member of the system.
- (19) “Minor child” means an unmarried child under the age of eighteen years or an unmarried student under the age of twenty-three years who is the issue of a marriage of a member of this system, the legally adopted child of a member of this system, a child born outside of marriage of a female member of this system, or the child of a male member of this system if acknowledged or filiated pursuant to the provisions of the Civil Code.
- (20) “Part-time employee” means any employee who is a part-time, seasonal, or temporary employee as defined in 26 CFR 31.3121(b)(7)-2, or in any successor regulations.

- (21) “Position” means any office or any employment in the state service.
- (22) Repealed by Acts 2001, No. 679, § 2, eff. June 25, 2001.
- (23) “Refund” means the withdrawal of all accumulated contributions at least thirty days after termination from the state service, or with respect to members having the option of belonging to the system, withdrawal of all accumulated contributions at least thirty days after receipt by the system of written notice of withdrawal.
- (24) “Retirement” means termination of active service, with a retirement allowance granted under the provisions of this Chapter.
- (25) “Retirement allowance or benefit” means an annuity for life paid in equal monthly installments.
- (26) “Spouse” means a person who is legally married to a member of this system.
- (27) “State” means the state of Louisiana.
- (28) “State service” means the type of agency service performed by its employees, elected officials, and appointed officials who are members of the system or the type of agency service established in accordance with R.S. 11:412.
- (29) “Student” means a person enrolled in a high school, a vocational-technical school, or a college or university, in a sufficient number of courses and classes in such institution to be classified as a full-time regular student under the criteria used by the institution in which he is enrolled. In addition, the person must actually attend at least eighty percent of the total number of classes in which he is enrolled.
- (30) “System” means the Louisiana State Employees’ Retirement System.
- (31) “Terminal leave payment” is the amount paid to an employee upon termination of state service for the value of accrued annual leave to his credit at the time of termination under such limitations as established by the State Civil Service Commission.
- (32) “Termination” means complete cessation of employment with the state.
- (33) “Vested right” means when a member obtains retirement eligibility as to age and service in accordance with the provisions of this Chapter.

Acts 1972, No. 135, §1, eff. July 26, 1972. Amended by Acts 1976, No. 239, §1; Acts 1978, No. 67, §1; Acts 1978, No. 727, §7, eff. Jan. 1, 1979; Acts 1982, No. 190, §1; Acts 1983, No. 674, §3; Acts 1984, No. 473, §1; Acts 1987, No. 184, §1; Acts 1988, No. 657, §1, eff. July 15, 1988; Acts 1989, No. 76, §1; Acts 1989, No. 217, §1; Redesignated from R.S. 42:543 by Acts 1991, No. 74, §3, eff. June 25, 1991;

– Revised Statutes –
§404. Falsification of records

Acts 1992, No. 518, §2, eff. June 26, 1992; Acts 1995, No. 1025, §1, eff. July 1, 1995; Acts 1997, No. 1201, §1, eff. July 15, 1997; Acts 1999, No. 42, §1, eff. May 28, 1999; Acts 2001, No. 679, §§1 and 2, eff. June 25, 2001; Acts 2004, No. 26, §6; Acts 2005, No. 75, §1, eff. July 1, 2005; Acts 2006, No. 835, §1, eff. July 1, 2006; Acts 2007, No. 353, §1, eff. June 30, 2007; Acts 2010, No. 95, §1, eff. July 1, 2010; Acts 2010, No. 992, §1, eff. Jan. 1, 2011.

§404. Falsification of records

Whoever knowingly makes any false statement or falsifies or permits to be falsified any record or records of this system in an attempt to defraud the system shall be fined not more than five hundred dollars or imprisoned for not more than six months, or both.

Acts 1972, No. 135, §1, eff. July 26, 1972; Redesignated from R.S. 42:544 by Acts 1991, No. 74, §3, eff. June 25, 1991.

§405. Exemption from execution; exception

Any annuity, retirement allowance or benefit, or refund of contributions, or any optional benefit or any other benefit paid or paid to any person under the provisions of this Chapter is exempt from any state or municipal tax and is exempt from levy and sale, garnishment, attachment, or any other process whatsoever, except as provided in R.S. 11:292, and is unassignable.

Acts 1972, No. 135, §1, eff. July 26, 1972. Acts 1986, No. 767, §7; Redesignated from R.S. 42:545 by Acts 1991, No. 74, §3, eff. June 25, 1991.

§406. Amendments; cost-of-living adjustment

The provisions of the retirement system established by R.S. 11:401 may be amended by action of the legislature, in the same manner as any other statute may be amended by the legislature. In addition, action of the board with respect to the payment of cost-of-living adjustments, as provided in R.S. 11:491, and with respect to the payment of employee contributions, as provided in R.S. 11:154 shall be considered amendments to the provisions of the retirement system.

Added by Acts 1983, No. 674, §3; Redesignated from R.S. 42:546 by Acts 1991, No. 74, §3, eff. June 25, 1991.

§407. Correction of administrative error

Except as expressly provided otherwise in this Chapter, the director may, upon written documentation that an administrative error has occurred in the administration of this system, which documentation shall be submitted to the board of trustees at the next board meeting, whether such administrative error was committed by this system or otherwise, correct such administrative error and may make all adjustments relative to such correction.

Acts 1989, No. 214, §1; Redesignated from R.S. 42:547 by Acts 1991, No. 74, §3, eff. June 25, 1991.

Part I-A. Electronic Signatures and Records

§408.1. Use of electronic signature on retirement records

- A. A record or signature utilized by the Louisiana State Employees' Retirement System may not be denied legal effect or enforceability solely because it is in electronic form. Any such signature or record in electronic form shall have the full effect of law.
- B. If a law requires a record to be in writing, an electronic record satisfies the law.
- C. If a law requires a signature, an electronic signature satisfies the law.
- D. Unless otherwise agreed between a sender and the system, an electronic record is received when:
 - (1) It enters an information-processing system that the retirement system has designated or uses for the purpose of receiving electronic records or information of the type sent and from which the recipient is able to retrieve the electronic record.
 - (2) It is in a form capable of being processed by the system.

Added by Acts 2001, No. 234, §1, eff. June 1, 2001.

§408.2. Establishment of procedures for the use of electronic signatures and records

- A. To the extent that a reporting member agency uses electronic records and electronic signatures under this Part, the agency shall report in accordance with procedures established by the system in accordance with the Administrative Procedure Act and the system shall give due consideration to security and shall specify:
 - (1) The manner and format in which the electronic records must be created, generated, sent, communicated, received, and stored and the systems established for those purposes.
 - (2) If electronic records must be signed by electronic means, the type of electronic signature required, the manner and format in which the electronic signature must be affixed to the electronic record, and the identity of, or criteria that must be met by, any third party used by a person filing a document to facilitate the process.
 - (3) Control processes and procedures as appropriate to ensure adequate preservation, disposition, integrity, security, confidentiality, and auditability of electronic records.

§408.3. Electronic records as originals

- (4) Any other required attributes for electronic records which are specified for corresponding nonelectronic records or reasonably necessary under the circumstances.

B. Nothing in this Part shall require an agency of this state to use or permit the use of electronic records or electronic signatures if that agency cannot comply with the established requirements.

Added by Acts 2001, No. 234, §1, eff. June 1, 2001.

§408.3. Electronic records as originals

If a statute, regulation, or other rule of law requires a contract, agreement, or record to be provided, available, or retained in its original form, or provides results if the contract, agreement, or record is not provided, available, or retained in its original form, that statute, regulation, or rule of law is satisfied by an electronic record that complies with this Part. Once an electronic record with an electronic signature is accepted by the system, it shall be admissible into evidence in a court of law for all purposes that an original paper document would be admissible.

Added by Acts 2001, No. 234, §1, eff. June 1, 2001.

§408.4. Ability to contest signatures

Nothing in this Part shall be construed to limit or otherwise affect the rights of any person to assert that an electronic signature is a forgery, is used without authority, has been altered after the signature was applied to the electronic document, or otherwise is invalid for reasons that would invalidate the effect of a signature in written form.

Added by Acts 2001, No. 234, §1, eff. June 1, 2001.

§408.5. Definitions

For purposes of this Part:

- (1) “Electronic” means of or relating to technology having electrical, digital, magnetic, optical, electromagnetic, or similar capabilities regardless of medium.
- (2) “Electronic agent” means a computer program or an electronic or other automated means used independently to initiate an action or respond to electronic records in whole or in part without review by an individual at the time of the action or response.
- (3) “Electronic record” means a writing, document, or other record created, stored, generated, received, or communicated by electronic means.

- (4) “Electronic signature” means information or data in electronic form, attached to or logically associated with an electronic record, and executed or adopted by a person or an electronic agent of a person, with the intent to sign a contract, agreement, or record.
- (5) “Record” means information that is inscribed on a tangible medium or that is stored in an electronic or other medium and is retrievable in perceivable form.

Added by Acts 2001, No. 234, §1, eff. June 1, 2001.

Part II. Membership

§411. Eligibility for membership

The membership of this system shall be as follows:

- (1) Each person who becomes an employee in the state service, except those specifically excluded or as to whom an option or election is provided in this Section, shall become a member of the system as a condition of employment.
- (2) Any person who becomes an employee in the state service who is a contributing member in any other retirement system shall become a member of this system unless he elects at the time of his employment to remain a contributing member of such other system for which he remains eligible for membership.
- (3) Employees on educational leave with stipend.
- (4) Membership shall be optional for elected officials and for those officials appointed by the governor whose appointment is subject to confirmation by the Senate and who are not ineligible under R.S. 11:413.
- (5) Any state, municipal, or parochial employee transferred to this system, pursuant to any provision of this Chapter authorizing such transfer.
- (6) The person who is director for the Louisiana State University Laboratory School on July 11, 2005. His membership in the system shall become effective July 1, 2005. Such person shall be classified as an employee of an Office of Group Benefits participating employer and not as a retiree pursuant to R.S. 42:808(A)(2).
- (7)
 - (a) Membership shall be optional for those persons sixty years of age or older at the time of employment and for those persons fifty-five years of age or older who have credit for at least forty quarters in the Social Security system. This shall not apply to rehired retirees.
 - (b) Membership shall be optional for any person who is receiving retirement benefits from any Louisiana public retirement system, other than this system, at the time the person becomes an employee in the state service.
- (8) Employees of any primary health center established under the Public Health Service Act as set forth in Subpart I of Part D of Title 42 of the United States Code, provided that any person covered by this Paragraph who is eligible for membership in any other state or federal public retirement system based on employment with a primary health center shall not be eligible for membership in this system.

§413. Classes of employees not eligible

- (9) Employees of the Amite River Basin Commission. Any such employee who has service as an employee of the commission prior to July 1, 1999, may purchase credit for such service, provided the purchase is transacted in accordance with R.S. 11:158, and further provided that such purchase is transacted prior to the effective date of any such employee's retirement.
- (10) Repealed by Acts 2002, 1st Ex.Sess., No. 102, §1, eff. April 18, 2002.
- (11) Employees of the Lafitte Area Independent Levee District.
- (12) Employees of the Chenier Plain Coastal Restoration and Protection Authority.
- (13) Employees of the Iberia Parish Levee, Hurricane, and Conservation District.

Acts 1972, No. 135, §1, eff. July 2, 1972. Amended by Acts 1976, No. 239, §1; Acts 1989, No. 737, §1; Redesignated from R.S. 42:551 by Acts 1991, No. 74, §3, eff. June 25, 1991; Acts 1992, No. 518, §1, eff. June 26, 1992; Acts 1992, No. 843, §1, eff. July 8, 1992; Acts 1993, No. 356, §1; Acts 1995, No. 610, §3, eff. July 1, 1995; Acts 1999, No. 42, §1, eff. May 28, 1999; Acts 1999, No. 130, §1, eff. July 1, 1999; Acts 1999, No. 281, §1; Acts 2001, No. 404, §1, eff. July 1, 2001; Acts 2002, 1st Ex. Sess., No. 102, §1, eff. April 18, 2002; Acts 2005, No. 455, §1, eff. July 11, 2005; Acts 2012, No. 346, §1, eff. July 1, 2012; Acts 2016, No. 160, §1, eff. July 1, 2016; Acts 2016, No. 161, §1, eff. July 1, 2016.

NOTE: See Acts 2002, 1st Ex. Sess., No. 102, §2, relative to intent of Act.

NOTE: See Acts 2016, No. 160 and 161, §3, relative to effectiveness of Acts. If resolutions declaring the Chenier Plain Coastal Restoration and Protection Authority and the Iberia Parish Levee, Hurricane, and Conservation District to be participating employers are not adopted on or before September 20, 2016, then the provisions of Acts 160 and 161, respectively, shall be null and void.

§412. Membership service eligibility

For purposes of determining eligibility for membership in this system, the legislature shall provide by law whether or not the types of agency service performed by employees, elected officials, and appointed officials of new agencies are within the scope of the provisions of this Chapter.

Acts 1972, No. 135, §1, eff. July 26, 1972; Acts 1990, No. 575, §1, eff. July 1, 1991; Redesignated from R.S. 42:552 by Acts 1991, No. 74, §3, eff. June 25, 1991.

§413. Classes of employees not eligible

The following classes of employees and officers shall not be or become members of this system:

- (1) Elected or appointed officials or employees of this state who are contributing members of any other state retirement system, or any retirement system covering employees of any political subdivisions of the state, unless by transfer in accordance with the provisions of the optional reciprocal transfer agreement provided for by this Chapter.

§413. Classes of employees not eligible

- (2) Public officials and state employees who receive a per diem allowance in lieu of earned compensation.
- (3) Persons employed on or after July 1, 1991, on a part-time, intermittent, temporary, emergency, or job appointment basis, except those employees who have ten or more years of creditable service in the system.
- (4) Patient or inmate help in state charitable, penal, or correctional institutions.
- (5) Students, interns, and resident physicians at any state educational institutions who are employed by any agency of the state for temporary, part-time, or intermittent work, except those on educational leave.
- (6) Independent contractors pursuing an independent business or profession pursuant to a contract for a specific price to perform a specific task.
- (7) Repealed by Acts 1992, No. 843, §2, eff. July 8, 1992.
- (8) Retirees of this system, who return to state employment within the same benefit class of the system except as provided in R.S. 11:416.
- (9) Judges and court officers in office on October 2, 1976, who did not timely exercise their option to become members.
- (10) Full-time career civilian employees of any federal facility which is or was on or after November 1, 1981, absorbed in whole or in part by the state of Louisiana or any of its subsidiaries, agencies, or boards, who on the day preceding the absorption are within five years of meeting the age and service requirements for retirement eligibility in the Federal Civil Service Retirement and Disability Fund and who are permitted by federal law to retain membership in that federal retirement fund, and if the arrangement for transfer provides that the state entity to which the federal facility is transferred shall make the legally required contributions to that federal fund.
- (11) Repealed by Acts 1992, No. 249, §1.
- (12) Repealed by Acts 2005, No. 223, §4, eff. July 1, 2005.
- (13) Unclassified, temporary seasonal income tax rush employees, and unclassified work-as-needed (WAE) employees at the Department of Revenue excluding the Louisiana Tax Commission.
- (14) (a) Employees of the New Orleans City Park Improvement Association.
 - (b) (i) The New Orleans City Park Improvement Association and its board of commissioners were transferred to the Department of Culture, Recreation and Tourism and were duly authorized to exercise and perform their powers, duties, functions, and responsibilities, all pursuant to Act No. 865 of the 1982 Regular Session of the Legislature.

§413. Classes of employees not eligible

- (ii) This Item is an expression of contemporaneous legislative intent in that it is hereby resolved that the employees covered by Subparagraph (a) of this Paragraph were not meant to be members of this system on or after the effective date of the New Orleans City Park Improvement Association's transfer to the Department of Culture, Recreation and Tourism, or on any date prior to that transfer.
- (15) (a) Employees of any political subdivision with a parishwide jurisdiction created, as authorized by state law, by local services agreement and intergovernmental contract for the purpose of stimulating and encouraging the development of an industrial air park for economic development in a parish with a population of not less than one hundred eighty thousand or more than one hundred eighty-five thousand according to the latest federal decennial census whose employment commences on or after July 1, 2004, shall not be eligible to become members of the Louisiana State Employees' Retirement System.
- (b) Any employee who, on or before June 30, 2004, has at least ten years of creditable service credit in the Louisiana State Employees' Retirement System and who continues employment with said political subdivision must, no later than thirty days from July 6, 2004, make an irrevocable election to either transfer to another qualified retirement plan or remain in the system. Any employee who elects to transfer from the system must sign a hold harmless agreement with the system releasing the system from any claims arising out of, or relating to, said employee's withdrawal from the system, and the system shall transfer all employee contributions made by that employee to the system and any employer contributions attributable to the normal cost of that employee as established by the system's actuary. These funds must be rolled over to another qualified plan or IRA by a Trustee to Trustee transfer. If no such transfer is available, the funds, as defined above, will be returned to the political subdivision for distribution in a manner determined by the political subdivision. Any member having ten or more years of creditable service in the Louisiana State Employees' Retirement System on or before June 30, 2004, who elects to remain in the system shall continue to have contributions remitted at the employee and employer contribution rates as established by law until or unless the employee terminates employment with the political subdivision. After termination of employment the member may elect to leave the account inactive until the member becomes eligible to collect his retirement benefit. Any member may, at any time after termination of the system covered employment, request a refund of employee contributions in accordance with applicable current law.

§414. Transfers with federal civil service retirement system

- (c) Those employees who have less than ten years of creditable service in the system on or before June 30, 2004, shall be ineligible to remain in the system and shall be removed from the system effective July 1, 2004. These members shall be eligible to receive all employee contributions made by that employee to the Louisiana State Employees' Retirement System and any employer contributions attributable to the normal cost of that employee as established by the system's actuary. These funds must be rolled over to another qualified plan or IRA by a Trustee to Trustee transfer. If no such transfer is available, the funds, as defined above, will be returned to the political subdivision for distribution in a manner determined by the political subdivision.

Acts 1972, No. 135, §1, eff. July 26, 1972. Amended by Acts 1976, No. 239, §1; Acts 1978, No. 67, §2; Acts 1982, No. 190, §1; Acts 1982, No. 878, §1; Acts 1982, No. 879, §1; Acts 1985, No. 472, §1; Acts 1989, No. 69, §1, eff. June 16, 1989; Redesignated from R.S. 42:553 by Acts 1991, No. 74, §3, eff. June 25, 1991; Acts 1992, No. 249, §1; Acts 1992, No. 518, §1, eff. June 26, 1992; Acts 1992, No. 843, §2, eff. July 8, 1992; Acts 1997, No. 658, §2; Acts 1997, No. 1201, §1, eff. July 15, 1997; Acts 1999, No. 42, §1, eff. May 28, 1999; Acts 2001, No. 120, §1, eff. May 25, 2001; Acts 2004, No. 727, §1, eff. July 6, 2004; Acts 2005, No. 223, §4, eff. July 1, 2005; Acts 2010, No. 861, §4; Acts 2011, 1st Ex. Sess., No. 15 § 1, eff. June 12, 2011.

§414. Transfers with federal civil service retirement system

The board may negotiate and effect transfers with the United States Civil Service Retirement System.

Acts 1972, No. 135, §1, eff. July 26, 1972; Redesignated from R.S. 42:555 by Acts 1991, No. 74, §3, eff. June 25, 1991.

§415. Termination of membership

Membership in this system ceases when a member withdraws his accumulated contributions, or when a member withdraws from active service with a retirement allowance, or when a member dies.

Acts 1972, No. 135, §1, eff. July 26, 1972; Redesignated from R.S. 42:556 by Acts 1991, No. 74, §3, eff. June 25, 1991.

§416. Employment of retirees

A. Regardless of age, if a retiree of the system is engaged or hereafter engages in employment which otherwise would render him eligible for membership in the system, he shall choose one of the following irrevocable options:

- (1) (a) Option 1. Any person on regular retirement under the Louisiana State Employees' Retirement System may be employed in any position covered by the system during any fiscal year, provided that his earnings in such employment do not exceed fifty percent of his annual retirement benefit for such fiscal year. For the purposes of this Section, there shall be an annual cost-of-living adjustment to the annual retirement benefit figure used in these computations. This cost-of-living adjustment shall be based upon and directly reflect the annual percentage increase or decrease in

the Consumer Price Index for all Urban Consumers for the preceding year. The retiree may continue to receive his benefit until he earns more than fifty percent of his annual retirement benefit as defined herein, during any fiscal year, after which his retirement benefits shall be reduced so that the total reduction equals the amount earned in excess of fifty percent of his annual retirement benefit as adjusted under this Section. Retirees choosing this option shall not become contributing members of this system.

- (b) Notwithstanding the provisions of this Section or any other provision of law to the contrary, any retiree of the system who has at least thirty years of service credited to his account and is at least age seventy shall be exempt from any suspension or reduction of benefits received from this system as the result of reemployment.
- (2) (a) Option 2. The retiree may regain membership by repaying all retirement benefits received from the system, plus interest thereon at the actuarial rate approved by the board of trustees of the system compounded annually from date of receipt until paid. In addition, the retiree shall pay into the system an amount equal to the employee and employer contributions which would have been paid had the retiree become a member at the commencement of the resumption of covered employment, plus interest thereon at the actuarial rate compounded annually from date of service until paid. Upon such regaining of membership, he shall have restored to his credit all service standing to his credit at the time of retirement and shall receive service credit for all service rendered since becoming so reemployed and thereafter shall be subject to the same conditions as are other members of the system which are not in conflict herewith. Except as provided in Subparagraph (b) of this Paragraph, reemployment pursuant to this Paragraph shall not be available to any member who participated in the system's Deferred Retirement Option Plan or initial benefit option plan or any early retirement provision applicable to the system.
- (b) Any member of this system who retired pursuant to an early retirement provision on or after August 31, 2005, and on or before June 30, 2006, whose last employment making him eligible for system membership was with the state or an agency thereof located in a parish designated under the Robert T. Stafford Disaster Relief and Emergency Assistance Act [FN1] as eligible for individual assistance, or individual assistance and public assistance following Hurricane Katrina or Rita, and whose reemployment date occurs on or before December 31, 2008, may elect to be reemployed pursuant to the provisions of Subparagraph (a) of this Paragraph.

- (3) (a) Option 3. The retiree may request immediate suspension of his benefit and become a member of this system, effective on the first day of reemployment. Upon such regaining of membership, he shall contribute thereafter at the current contribution rate as applicable to his position. Upon subsequent retirement, his suspended retirement allowance shall be restored to full force and effect. In addition, if he has worked and contributed for at least thirty-six months, his retirement allowance shall be increased by an amount attributable to his service and average compensation since reemployment based on the computation formula in effect at the time of subsequent retirement. If he has been reemployed for a period less than thirty-six months, upon termination of reemployment the contributions paid by the retiree since his reemployment shall, upon application, be refunded to the retiree. In no event shall the member receive duplicate credit for unused sick and annual leave that had been included in the computation of his original retirement allowance. Any supplemental benefit shall be based on reemployment service credit only and shall not include any other specific amount which may otherwise be provided in the regular retirement benefit computation formula. In the event of the member's death prior to subsequent retirement, payment of benefits to the designated beneficiary or survivor shall be in accordance with the option selected by the member at the time of his original retirement. No change in the option originally selected by the member shall be permitted except as provided in R.S. 11:446(C). In no event shall the supplemental benefit exceed an amount which, when combined with the original benefit, equals one hundred percent of the average compensation figure used to compute the supplemental benefit. Under no circumstances shall any person who has regained membership pursuant to the provisions of this Paragraph be allowed to purchase service credit for any period employed in the state service during which he continued to draw his retirement allowance.
- (b) Notwithstanding the provisions of this Section or any other provision of law to the contrary, any retiree of the system who has at least thirty years of service credited to his account, has been retired for at least one year, is eligible to receive his full retirement benefits, and has been appointed by the governor to fill an unclassified civil service position shall be exempt from any increase, suspension or reduction of benefits received from this system as the result of reemployment.
- (c) Notwithstanding the provisions of this Section or any other provision of law to the contrary, any retiree of the system who has been retired for at least one year, is eligible to receive his full retirement benefits, and has been appointed by the secretary of state to fill the position of commissioner of

§416.1. Reemployment of retirees under Act No. 455 of the 2001 Regular Session

elections shall be exempt from any increase, suspension, or reduction in benefits received from this system as the result of reemployment; however, he shall not be eligible to rejoin the system, nor shall his retirement benefits be enhanced by such reemployment.

(d) Notwithstanding the provisions of this Section or any other provision of law to the contrary, any retiree of the Harbor Police Retirement System who has been retired for at least one year as of July 1, 2014, and is employed in a position making him eligible for membership in this system on July 1, 2015, shall be exempt from any increase, suspension, or reduction of benefits received from this system until the employee's subsequent retirement.

B. The retiree and the appointing authority of the employer agency covered by the system shall immediately notify the system of the retiree's date of employment, the option selected for reemployment purposes, the amount of his starting salary, any subsequent changes in salary, the estimated duration of employment, and the date of termination of employment.

C. Should any employer covered by the system employ a retiree and fail to submit the report required by Subsection B of this Section, the retiree shall be considered as returning to active service under the provisions of Option 3 above. His retirement benefit shall be suspended during such active service and he shall be governed by the provisions of this Section. Employers and employees failing to submit the report required by Subsection B of this Section shall be liable for the repayment of contributions due from the date of reemployment.

Added by Acts 1978, No. 67, §2. Acts 1985, No. 472, §1; Redesignated from R.S. 42:557 by Acts 1991, No. 74, §3, eff. June 25, 1991; Acts 1995, No. 610, §1, eff. July 1, 1995; Acts 1997, No. 1201, §1, eff. July 15, 1997; Acts 1997, No. 1468, §1, eff. July 15, 1997; Acts 1999, No. 1334, §1; Acts 2001, No. 455, §1, eff. June 30, 2001; Acts 2002, 1st Ex. Sess., No. 165, §1, eff. May 9, 2002; Acts 2003, No. 1234, §1; Acts 2004, No. 690, §1, eff. July 6, 2004; Acts 2006, No. 770, §1, eff. June 30, 2006; Acts 2007, No. 252, §1, eff. July 1, 2007.

[FN1] 42 U.S.C.A. § 5121 et seq.

NOTE: See Acts 2002, 1st Ex. Sess., No. 165, §§2 and 3, relative to implementation and applicability of the Act, severability of provisions, and effect of a holding that application of the Act to certain persons is invalid.

§416.1. Reemployment of retirees under Act No. 455 of the 2001 Regular Session

A retiree who retired under the provisions of Act No. 455 of the 2001 Regular Session and was rehired prior to the effective date of this Section in employment which otherwise would render him eligible for membership in the system shall choose one of the following irrevocable options:

(1) Option 1 as provided in R.S. 11:416(A).

§417. Members employed in other state or public employment

- (2) Option 2 as provided in R.S. 11:416(A).
- (3) Option 3 as provided in R.S. 11:416(A).
- (4) Option 4. At the request of the retiree his retirement benefits shall be suspended for twelve months following the effective date of his retirement or until his reemployment ends, whichever occurs first. The retiree shall receive his retirement benefits after such suspension, but he shall accrue no additional service credit during reemployment. Under this option, neither the retiree nor the employer shall make any contribution to the system.

Added by Acts 2002, 1st Ex.Sess., No. 165, §1, eff. May 9, 2002.

NOTE: See Acts 2002, 1st Ex. Sess., No. 165, §§2 and 3, relative to implementation and applicability of the Act, severability of provisions, and effect of a holding that application of the Act to certain persons is invalid.

§417. Members employed in other state or public employment

- A. Any person who is a member of the Louisiana State Employees' Retirement System, who has creditable membership service of at least five years in this system, and who becomes employed in other state or public employment where he is no longer eligible for membership in this system, but is eligible for membership in the Louisiana School Employees' Retirement System, the Louisiana State Police Retirement System, the Teachers' Retirement System of Louisiana, or the Municipal Police Employees' Retirement System shall have the right to remain a member of this system in lieu of membership in the other state or statewide retirement system by filing a notice of election to remain in this system, in writing, with the board of trustees within thirty days after the effective date of employment. Such election shall be irrevocable.
- B. Repealed by Acts 2006, No. 770, § 2, eff. June 30, 2006.
- C. Any person who is a member of the Louisiana State Employees' Retirement System, who becomes employed in other state or public employment where he is no longer eligible for membership in this system as a result of official actions over which the member has no control, who is eligible for membership in the Louisiana School Employees' Retirement System, the Louisiana State Police Retirement System, the Teachers' Retirement System of Louisiana, or the Municipal Employees' Retirement System, and who has at least one year of creditable service in this system, shall have the right to remain a member of this system in lieu of membership in the other state or statewide retirement system, by filing a notice of election to remain in the system, in writing, with the board of trustees within thirty days after the effective date of the change in employment. The election shall be irrevocable.

Acts 1990, No. 723, §1, eff. June 1, 1990; Redesignated from R.S. 42:558 by Acts 1991, No. 74, §3, eff. June 25, 1991; Acts 1992, No. 843, §1, eff. July 8, 1992; Acts 1993, No. 341, §1; Acts 2006, No. 770, §2, eff. June 30, 2006; Acts 2012, No. 227, §1, eff. August 1, 2012.

Part III. Service

§421. Computation of service

- A. In the computation of all full-time service performed prior to January 1, 1973, the following schedule shall govern on a fiscal year basis:
- (1) Fifteen to eighty-nine days shall constitute a quarter of a year service.
 - (2) Ninety to one hundred seventy-nine days shall constitute one-half year of service.
 - (3) One hundred eighty to two hundred sixty-nine days shall constitute three-quarters of a year of service.
 - (4) Two hundred seventy days shall constitute one year of service.
- B. In the computation of all part-time service performed prior to January 1, 1973, a member shall receive credit based upon the ratio of his actual earnings during the fiscal year to the total earnings he would have received had he been employed in this position on a full-time basis for the full fiscal year, based on the following schedule:
- (1) Earnings of less than twenty-five percent: no credit.
 - (2) Earnings equal to twenty-five percent but less than fifty percent: one-quarter of a year of credit.
 - (3) Earnings equal to fifty percent but less than seventy-five percent: one-half of a year of credit.
 - (4) Earnings equal to seventy-five percent but less than one hundred percent: three-quarters of a year of credit.
- C. In the computation of service, commencing January 1, 1973, and thereafter, a member shall receive credit based on the ratio of his earned compensation during the calendar year to the total base pay he would have received had he been employed in the same position on a full-time basis for the full calendar year. Any fractional part of the ratio shall be rounded off to the next highest one-tenth of a year but not to exceed one hundred percent of a year.
- D. In no case shall credit be allowed for any period of absence without compensation. A member shall not receive more than one year of credit within any fiscal year prior to January 1, 1973, or within any calendar year after January 1, 1973.

§422. State service for which credit has not been received

- E. Credit between July 1, 1972 and December 31, 1972, will be limited to one-half year total. However, any member who retires between December 31, 1972 and March 31, 1973 shall receive at least three-quarters of a year service for the period July 1, 1972 to March 31, 1973.
- F. A statement of service will be issued to modify or correct membership or prior service, detailing a recapitulation of all service to the close of the last year.
- G. A member may not receive credit for service which is credited in any other retirement system except where there has been a transfer under the reciprocal transfer agreement provided for by this chapter.
- H. In the computation of any retirement allowance, annuity or benefit, any fractional period of service of less than one year shall be taken into account and a proportionate amount of such retirement allowance, annuity or benefit shall be granted for any such fractional period of service.

Acts 1972, No. 135, §1, eff. July 26, 1972; Redesignated from R.S. 42:561 by Acts 1991, No. 74, §3, eff. June 25, 1991.

§422. State service for which credit has not been received

- A. Notwithstanding any other provision of law to the contrary, any member shall be entitled to receive credit for any full-time state service for which the member has not received credit, except for service specifically excluded in this Section. Credit shall not be allowable for employment when per diem allowances were paid in lieu of earned compensation, except for legislative service; for part-time service not authorized under R.S. 11:162(C) or contractual employment; employment as patient or inmate help in a state charitable, penal, or correctional institution; employment as a student, medical intern, or resident physician; employment as a teacher in an educational institution of this state; employment while a member of any other retirement system established by law; and employment with any state agency or governing body whose employees are not contributing members of this retirement system.
- B. The appointing authority or personnel officer of the agency wherein the service was performed must certify the inclusive dates of employment, the salary earned by the member during these inclusive dates, that this was full-time state service, and that this service was not performed under any category of employment where credit is prohibited in this Section, or the member shall submit such other evidence in lieu thereof as shall be requested by the board.
- C. Creditable full-time state service may be purchased, at the option of the member, by paying the greater of the amount calculated in accordance with the actuarial cost provisions of R.S. 11:158 or the employee and employer contributions plus

§423. State service for which credit has not been received due to administrative error

interest based on the member's current salary that totally offsets the increase in accrued liability of the system resulting from the receipt of the credit by the member. The amount payable shall be calculated by use of the actuarial funding method, assumptions, and tables in use by the system at the time of the member's application for credit. No credit shall be given until and unless this amount is paid in full.

Acts 1972, No. 135, §1, eff. July 26, 1972. Amended by Acts 1976, No. 240, §1; Acts 1985, No. 774, §2; Acts 1986, No. 212, §1; Redesignated from R.S. 42:562 by Acts 1991, No. 74, §3, eff. June 25, 1991; Acts 2001, No. 679, §1, eff. June 25, 2001; Acts 2006, No. 770, §1, eff. June 30, 2006.

§423. State service for which credit has not been received due to administrative error

- A. Notwithstanding any other provision of law to the contrary, but in accordance with applicable laws relative to determining whether such state service is or was creditable, any person who was denied membership in the system for any state employment rendered in a position that should have made membership mandatory as a condition of employment, but was not so enrolled due to an administrative error on the part of the agency where so employed, shall be entitled to receive service credit for the period denied.
- B. The appointing authority or personnel officer of the agency wherein the service was performed shall certify the inclusive dates of employment, the base pay and earned compensation of the employee during the period, whether the employment was full-time or part-time, whether the employment was performed on a job appointment, intermittent or emergency basis, and the reason the member was not enrolled in the system at the time of employment.
- C. State service previously denied to the member and deemed as creditable by the board may be purchased, provided application is filed with the retirement system as outlined in Subsection B of this Section. In addition, the member shall pay into the system an amount equal to the current employee contributions based on the member's earned compensation at the time the service was performed, plus compound interest at the current board-approved actuarial valuation rate from date of service until paid, and the employing agency where such service was denied (or its successor agency) shall pay into the system an amount equal to the greater of actuarial cost to the system of any additional retirement benefits payable as a result of the receipt of service credit as authorized by this Section or the sum of the employer contributions which would have been due plus interest thereon at the board-approved actuarial valuation rate, minus the amount to be paid by the member. No service credit shall be allowed until both the employee and employer have paid in full and prior to retirement the amounts described above.

Acts 1985, No. 730, §1; Acts 1990, No. 423, §1; Redesignated from R.S. 42:562.1 by Acts 1991, No. 74, §3, eff. June 25, 1991.

§424. Conversion of annual and sick leave to retirement credit; payment

§424. Conversion of annual and sick leave to retirement credit; payment

A. (1) Except as hereinafter provided, all unused accumulated annual leave and sick leave accrued by a state employee in accordance with the leave accrual rates established by the State Civil Service Commission and for which payment cannot be made in accordance with law at the time of retirement, shall be credited at the time of retirement to the member on the following basis:

Days	Percentage of a Year
1-26	10
27-52	20
53-78	30
79-104	40
105-130	50
131-156	60
157-182	70
183-208	80
209-234	90
235-260	100

(2) Unused sick leave and annual leave may be converted to retirement credit in accordance with the provisions of Paragraph (1) of this Subsection, but the conversion shall not cause the member's total annual retirement benefit, as computed in accordance with R.S. 11:444, to exceed his final average compensation. No member, survivor, or beneficiary shall use any accumulated unused sick and annual leave to attain eligibility for any benefits provided by this Chapter.

B. The agency must submit to the board a report of unused sick and annual leave, computed in days only, plus unreported earnings and contributions immediately after the member retires.

C. When extending credit for unused leave, fractional days of one-half or more shall be granted as one day and less than one-half day shall be disregarded. A member retiring out of state service shall not be allowed to use unused sick and annual leave to extend service credit unless he had a vested right thereto at the time he terminated his state service. Any member who had previously terminated his employment for any period of time but who later becomes reemployed as an active contributing member shall have contributed to the system for not less than eighteen months subsequent

§428. Credit for certain federal service

to his reemployment date before using converted unused sick and annual leave for purposes of benefit computation. Additional membership service for unused sick and annual leave shall not be used in computation of average compensation.

D. The provisions of this Section shall be applicable to all officers and employees in state service except as follows:

(1) Those officials appointed by the governor whose appointment must be confirmed by the Senate, and except that the provisions of this Section shall apply to such officials who are classified state employees participating in the Senior Executive Exchange Program pursuant to rules promulgated by the Department of State Civil Service.

(2) All elected officials.

E. A member may, at the time the application for retirement is filed, request in writing that in lieu of the foregoing conversion of annual leave and sick leave to retirement credit, he be paid for such leave in a lump sum for the amount of leave that could otherwise be converted to retirement credit. Additionally, a member who has annual leave and sick leave that if converted to retirement credit would exceed one hundred percent of the member's average compensation, shall be entitled to be paid for such leave at its actuarial value as if it were converted to retirement credit without regard to the one hundred percent cap. The amount paid shall be the actuarial value of such leave if converted to retirement credit as determined by the retirement system's actuary. The cost for such actuarial determination shall be paid by the member. Payment shall be made only upon retirement. The provisions of this Subsection shall not be applicable to a member requesting retirement pursuant to the disability retirement provisions of this Title.

Acts 1972, No. 135, §1, eff. July 26, 1972. Amended by Acts 1978, No. 67, §3; Acts 1986, No. 414, §1; Redesignated from R.S. 42:563 by Acts 1991, No. 74, §3, eff. June 25, 1991; Acts 1993, No. 343, §1; Acts 1999, No. 42, §1, eff. May 28, 1999; Acts 2000, 1st Ex. Sess., No. 115, §1, eff. July 1, 2000; Acts 2006, No. 770, §1, eff. June 30, 2006.

NOTE: SEE ACTS 1986, NO. 414, §2 - S.B. 243 FAILED TO PASS

§425 to 427. Repealed by Acts 2004, No. 340, §2, eff. July 1, 2004

§428. Credit for certain federal service

A. Any active, contributing member of the system who has credit in the system for at least one year of service shall be eligible to obtain credit in this system for all service rendered during any period of time in which the member was contributing to a retirement plan for federal employees, as further provided in this Section.

– Revised Statutes –
§429. Purchase of service credit

- B. (1) In order to receive such credit, the member shall make application to the system and shall furnish a statement of all service for which credit is to be purchased, including the dates of such service, in such form as the board requires.
- (2) The member shall pay to the system the amount calculated in accordance with the actuarial cost provisions of R.S. 11:158.
- (3) The amount to be paid shall be paid in one lump sum, whether by the member or through a direct rollover, and no service credit shall be given to the member unless the amount is paid in full.
- (4) No member shall receive service credit pursuant to this Section if he has service credit in a retirement plan for federal employees which duplicates the credit being purchased pursuant to this Section.
- C. Any service credit purchased pursuant to this Section shall be used for purposes of attaining eligibility for retirement as well as for calculation of benefits.

Acts 2011, No. 355, §1, eff. July 1, 2011.

§429. Purchase of service credit

- A. Notwithstanding any other provision of law to the contrary, any member of the system who has credit in the system for at least one year of service shall be eligible to obtain credit for up to five years of service credit in one-year increments provided that he shall apply to the system for such credit on or before June 30, 2005, and pay to the system by June 30, 2006, the greater of the amount calculated in accordance with the actuarial cost provisions of R.S. 11:158 or the employee and employer contributions plus interest based on the member's current salary, which totally offsets the increase in accrued liability of the system resulting from the receipt of the credit by the member. The amount to be paid shall be paid in one lump sum, and no service credit shall be given to the member until or unless the amount is paid in full.
- B. (1) Notwithstanding any other provision of law to the contrary, any member of the system who has credit in the system for at least five years of service shall be eligible to obtain credit for up to five years of service credit in one-year increments provided that he shall apply to the system for such credit and pay to the system the greater of the amount calculated in accordance with the actuarial cost provisions of R.S. 11:158, excluding R.S. 11:158(C)(1)(b), or the employee contributions for each additional year of service credit being obtained based upon the greater of the member's current salary or the member's current final average compensation. The amount to be paid shall be paid in one lump sum, and no service credit shall be given to the member until or unless the amount is paid in full. Any credit purchased pursuant to

this Paragraph shall be used for calculation of benefits only and shall not be used for purposes of attaining eligibility for retirement except as otherwise authorized in this Subsection.

- (2) Notwithstanding any other provision of law to the contrary, any member of the system who has credit in the system for at least five years of service shall be eligible to obtain credit for purposes of attaining eligibility for retirement and calculation of benefits for up to five years of service credit in one-year increments provided that he shall apply to the system for such credit and pay the greater of the amount calculated in accordance with the actuarial cost provisions of R.S. 11:158, excluding R.S. 11:158(C)(1)(b), or the employee contributions for each additional year of service credit being obtained based upon the greater of the member's current salary or the member's current final average compensation. The amount to be paid shall be paid in one lump sum, and no service credit shall be given to the member until or unless the amount is paid in full.
- (3) Notwithstanding any other provision of law to the contrary, any member of the system who has purchased service credit under the provisions of Paragraph (1) of this Subsection shall be eligible to upgrade all or a portion of the service credit previously purchased for calculation of benefits to service credit for attaining eligibility and benefit calculation in one-year increments provided that he shall apply to the system for such credit and pay to the system the actuarial cost of such upgrade calculated in accordance with the actuarial cost provisions of R.S. 11:158, excluding 11:158(C)(1)(b). The amount to be paid shall be paid in one lump sum, and no service credit shall be given to the member until or unless the amount is paid in full.
- (4) Notwithstanding any other provision of law to the contrary, the premiums for health insurance coverage paid by any retiree participating in the office of group benefits program who has purchased service credit pursuant to Paragraph (2) or (3) of this Subsection, and who retires earlier than he would otherwise have been eligible for regular retirement without such purchased credit, shall be increased by an amount sufficient to pay for any increase in the employer's premiums that results from such retirement. Such increase in the retiree's premium shall be deducted from the retiree's monthly benefit and remitted to the office of group benefits to offset the employer's premium payments by such amount. The premium payments made pursuant to this Paragraph shall cease when the retiree attains the age at which his earned creditable service, not including service purchased pursuant to this Subsection, would have been sufficient to meet eligibility requirements for regular retirement.

Added by Acts 1992, No. 289, § 1. Amended by Acts 2004, No. 340, § 1, eff. July 1, 2004; Acts 2005, No. 75, § 1, eff. July 1, 2005; Acts 2011, No. 322, § 1, eff. July 1, 2011.

§§430 to 432. Repealed by Acts 2004, No. 340, §2, eff. July 1, 2004

Part IV. Retirement and Retirement Benefits

Subpart A. Regular Retirement

§441. Eligibility for retirement

- A. (1) Any member hired on or before June 30, 2006, or who receives a benefit calculated pursuant to R.S. 11:444(A)(2)(b) and whose first employment making him eligible for membership in one of the state systems occurred on or before December 31, 2010, shall be eligible for retirement if he has:
- (a) Thirty years or more of service, at any age.
 - (b) Twenty-five years or more of service, at age fifty-five or thereafter.
 - (c) Ten years or more of service, at age sixty or thereafter.
 - (d) Twenty years of service credit at any age, exclusive of military service and unused annual and sick leave, but any person retiring under this Subparagraph shall have his benefit, inclusive of military service credit and allowable unused annual and sick leave, actuarially reduced. Any member retiring under this Subparagraph who is in state service at the time of his retirement shall have his benefit actuarially reduced from the earliest age that he would normally become eligible for a regular retirement benefit under Subparagraph (a), (b), or (c) of this Paragraph if he had continued in service to that age. Any member retiring under this Subparagraph who is out of state service at the time of his retirement shall have his benefit actuarially reduced from the earliest age that he would normally become eligible for a regular retirement benefit under Subparagraph (a), (b), or (c) of this Paragraph based upon his years of service as of the date of retirement. Any employee who elects to retire under the provisions of this Subparagraph shall not be eligible to participate in the Deferred Retirement Option Plan provided by R.S. 11:447 or the Initial Benefit Option provided by R.S. 11:446(A)(5).
- (2) (a) Any member hired on or after July 1, 2006, shall be eligible for retirement if he has:
- (i) Five years or more of service, at age sixty or thereafter.
 - (ii) Twenty years of service credit at any age, exclusive of military service and unused annual and sick leave; however, any person retiring under this Item shall have his benefit, inclusive of military service credit and allowable unused annual and sick leave, actuarially reduced from the earliest age that he would normally

– Revised Statutes –
§441. Eligibility for retirement

become eligible for a regular retirement benefit under Item (i) of this Subparagraph if he had continued in service to that age. Any employee who elects to retire under the provisions of this Item shall not be eligible to participate in the Deferred Retirement Option Plan provided by R.S. 11:447 or the Initial Benefit Option provided by R.S. 11:446.

(b) Except for members of the Hazardous Duty Services Plan, as defined in R.S. 11:612, any member whose first employment making him eligible for membership in one of the state systems occurred on or after January 1, 2011, and on or before June 30, 2015, including any judge, court officer, governor, lieutenant governor, clerk or sergeant-at-arms of the House of Representatives, secretary or sergeant-at-arms of the Senate, or state treasurer, shall be eligible for retirement if he has:

(i) Five years or more of service, at age sixty or thereafter.

(ii) Twenty years of service credit at any age, exclusive of military service and unused annual and sick leave, but any person retiring under this Item shall have his benefit, inclusive of military service credit and allowable unused annual and sick leave, actuarially reduced from the earliest age that he would normally become eligible for a regular retirement benefit under Item (i) of this Subparagraph if he had continued in service to that age. Any employee who elects to retire under the provisions of this Item shall not be eligible to participate in the Deferred Retirement Option Plan provided by R.S. 11:447 or the Initial Benefit Option provided by R.S. 11:446.

(c) Except for members of the Hazardous Duty Services Plan, as defined in R.S. 11:612, any member whose first employment making him eligible for membership in one of the state systems occurred on or after July 1, 2015, including any judge, court officer, governor, lieutenant governor, clerk or sergeant-at-arms of the House of Representatives, secretary or sergeant-at-arms of the Senate, or state treasurer, shall be eligible for retirement if he has:

(i) Five years or more of service, at age sixty-two or thereafter.

(ii) Twenty years of service credit at any age, exclusive of military service and unused annual and sick leave, but any person retiring under this Item shall have his benefit, inclusive of military service credit and allowable unused annual and sick leave, actuarially reduced from the earliest age that he would normally become eligible for

a regular retirement benefit under Item (i) of this Subparagraph if he had continued in service to that age. Any employee who elects to retire under the provisions of this Item shall not be eligible to participate in the Deferred Retirement Option Plan provided by R.S. 11:447 or the Initial Benefit Option provided by R.S. 11:446.

- (3) Any full-time law enforcement personnel, supervisor, or administrator who is employed with the Department of Revenue, office of alcohol and tobacco control, on June 30, 2007, or thereafter, whose first employment making him eligible for membership in one of the state systems occurred on or before December 31, 2010, who is P.O.S.T.-certified, who has the power to arrest, and who holds a commission from such office shall be eligible to retire if he has:
- (a) Twenty-five years or more of service, at any age.
 - (b) Ten years or more of service, at age sixty or thereafter.
 - (c) Twenty years of service credit at any age, exclusive of military service and unused annual and sick leave, but any person retiring under this Subparagraph shall have his benefit, inclusive of military service credit and allowable unused annual and sick leave, actuarially reduced from the earliest age that he would normally become eligible for a regular retirement benefit under Subparagraph (a) or (b) of this Paragraph if he had continued in service to that age. Any employee who elects to retire under the provisions of this Subparagraph shall not be eligible to participate in the Deferred Retirement Option Plan provided by R.S. 11:447 or the Initial Benefit Option provided by R.S. 11:446(A)(5).
- B. For purposes of acquiring eligibility for regular retirement, disability retirement and survivor's benefits only, a part-time employee shall count every year in which he works on a part-time basis for at least eleven months as a full year of retirement credit but for eligibility only.
- C. Retirement eligibility shall not be cancelled after it is earned except by refund requested by the member.
- D. (1) Notwithstanding the provisions of Subsection A hereof, correctional officers and security personnel employed by the Department of Public Safety and Corrections shall be eligible for retirement at any age upon attaining twenty or more years of service, at least ten of which were served immediately prior to application for retirement in a security capacity with the Department of Public Safety and Corrections.

- (2) Notwithstanding any other provision to the contrary, in addition to being subject to the foregoing provisions, correctional officers and security personnel employed by the Department of Public Safety and Corrections after August 15, 1986, shall not be able to retire or begin to receive regular benefits until attaining the age of fifty years, regardless of the number of years of service. If a member who becomes employed as a correctional officer or as security personnel after August 15, 1986, has creditable service other than that as a correctional officer or as security personnel, then only two-thirds of that noncorrectional officer or nonsecurity personnel service shall be counted toward meeting the twenty-year service requirement for correctional officers and security personnel.
 - (3) Notwithstanding any other provision of law to the contrary, effective July 1, 1999, correction officers, probation and parole officers, and security personnel employed by the Department of Public Safety and Corrections shall be eligible for retirement at any age upon attaining twenty-five or more years of service, at least ten of which were served immediately prior to application for retirement in a position with the Department of Public Safety and Corrections.
 - (4) For purposes of this Subsection, Department of Public Safety and Corrections includes predecessor and successor agencies to such department.
- E. (1) Notwithstanding the provisions of Subsection A hereof, probation and parole officers employed by the Department of Public Safety and Corrections shall be eligible for retirement at any age upon attaining twenty or more years of service, at least ten of which were served immediately prior to application for retirement as a probation and parole officer with the Department of Public Safety and Corrections.
- (2) Notwithstanding any other provision to the contrary, in addition to being subject to the foregoing provisions probation and parole officers employed by the Department of Public Safety and Corrections after August 15, 1986, shall not be able to retire or begin to receive regular benefits until attaining the age of fifty years, regardless of the number of years of service. If a member who becomes employed as a probation and parole officer after August 15, 1986, has creditable service other than that as a probation and parole officer, then only two-thirds of that nonprobation and parole officer service shall be counted toward meeting the twenty-year minimum service requirement for probation and parole officers.
 - (3) For purposes of this Subsection, Department of Public Safety and Corrections includes predecessor and successor agencies to such department.
- F. Notwithstanding the provisions of Subsection A of this Section or any other provision of law to the contrary, employees of the bridge police section of the Crescent City Connection Division of the Department of Transportation and Development whose first employment making them eligible for membership in one of the state systems

§441.1. Early Retirement and Payroll Reduction Act of 2006

occurred on or before December 31, 2010, who are members of the system shall be eligible for retirement at any age upon attaining twenty-five or more years of service credit, at least ten of which were served immediately prior to application for retirement in a position with the bridge police section of the Crescent City Connection Division of the Department of Transportation and Development.

- G. Notwithstanding any other provision to the contrary, the rights of all members to benefits shall be nonforfeitable to the extent required by Internal Revenue Code Section 411 and the regulations thereunder, as amended from time to time.

Acts 1972, No. 135, §1, eff. July 26, 1972. Amended by Acts 1975, No. 373, §1; Acts 1978, No. 67, §3. Acts 1984, No. 660, §§1-9, eff. July 12, 1984; Acts 1985, No. 796, §1; Redesignated from R.S. 42:571 by Acts 1991, No. 74, §3, eff. June 25, 1991; Acts 1995, No. 305, §1, eff. Dec. 31, 1995; Acts 1995, No. 570, §1, eff. Jan. 1, 1996; Acts 1997, No. 1277, §1, eff. July 1, 1997; Acts 1999, No. 1320, §1, eff. July 12, 1999; Acts 1999, No. 1348, §1, eff. July 1, 1999; Acts 2001, No. 267, §1, eff. June 1, 2001; Acts 2001, No. 844, §§1-6, eff. June 26, 2001; Acts 2005, No. 75, §1, eff. July 1, 2005; Acts 2006, No. 835, §1, eff. July 1, 2006; Acts 2007, No. 353, §1, eff. June 30, 2007; Acts 2007, No. 414, §1, eff. June 30, 2007; Acts 2008, No. 740, §1; Acts 2010, No. 99, §1, eff. July 1, 2010; Acts 2010, No. 102, §1, eff. July 1, 2010; Acts 2010, No. 992, §1, eff. Jan. 1, 2011; Acts 2014, No. 226, §1, June 30, 2014.

NOTE: See Acts 1984, No. 660, §§1-9, regarding an early retirement incentive program.

NOTE: See Acts 2001, No. 884, §§1-6 regarding early retirement and payroll reduction (Early Retirement and Payroll Reduction Act).

NOTE: See Acts 2004, No. 194, §§1-9, regarding early retirement and payroll reduction (Early Retirement and Payroll Reduction Act).

NOTE: See Acts 2004, No. 7, §6, providing that the Act shall not affect or change any law relative to retirement or retirement or survivor benefits of employees of the Dept. of Public Safety and Corrections

§441.1. Early Retirement and Payroll Reduction Act of 2006

A. Purpose. This Section shall be known as the Early Retirement and Payroll Reduction Act of 2006. Its purpose is to permanently reduce the number of state employees, thereby reducing payroll costs, in a manner which furthers the fiscal soundness of the state and which is fair and equitable to the employees of the state. The Act is intended to accomplish this purpose by encouraging voluntary early retirement by the temporary reduction of retirement eligibility requirements and by restricting the hiring of new employees.

B. Eligibility Requirements for Early Retirement. Any member of the Louisiana State Employees' Retirement System may retire pursuant to the provisions of this Section, and he shall receive the benefits set forth in Subsection C of this Section if he submits an application for retirement during the period beginning January 1, 2007, and extending through December 31, 2008, with the effective date of his retirement

§441.1. Early Retirement and Payroll Reduction Act of 2006

occurring during that same period and further provided that on or before December 31, 2008, he has attained at least age fifty and has at least ten years of service credited to his retirement account, exclusive of any military service credit.

- C. Retirement Benefits. Any person who retires pursuant to the provisions of this Section shall receive an annual retirement allowance consisting of an actuarially reduced benefit. The annual benefit shall be calculated in accordance with the provisions of R.S. 11:444(A). However, the benefit of any such person shall be actuarially reduced to account for early retirement. In no event shall the annual retirement allowance exceed one hundred percent of average compensation as specified by R.S. 11:231. Any person who retires pursuant to the provisions of this Section shall not be eligible to participate in the Deferred Retirement Option Plan or the Initial Benefit Option as set forth in R.S. 11:446(A)(5).
- D. Application of Other Early Retirement Provisions. If any person is eligible for early retirement under the provisions of this Section or under the early retirement provisions of R.S. 11:441(A)(1)(d), such person may retire under the applicable provision; however, the restrictions on refilling employee positions as set forth in Subsection E of this Section shall also apply to positions vacated by early retirement under R.S. 11:441(A)(1)(d) during the period beginning on January 1, 2007, and extending through December 31, 2008. Any such person who retires pursuant to the provisions of this Section or pursuant to the provisions of R.S. 11:441(A)(1)(d) shall not be eligible for reemployment by the state of Louisiana or any agency thereof for a period of two years from the date of such retirement.
- E. Restrictions on Employee Positions and Payroll.
- (1) It is the intention of this Act to effect a permanent and substantial reduction in the number of state employees and in the state payroll. Accordingly, any position which becomes vacant as a result of a person's retirement pursuant to the provisions of this Section, including positions vacated by early retirement under R.S. 11:441(A)(1)(d) during the period beginning on January 1, 2007, and extending through December 31, 2008, shall be abolished and shall only be reestablished upon the authorization, jointly by the commissioner of administration and the director of the Department of State Civil Service with respect to the executive branch, the Legislative Budgetary Control Council with respect to the legislative branch, or the Judicial Budgetary Control Board with respect to the judicial branch. In no event shall more than ten percent of the positions in each respective branch of state government which have become vacated as a result of retirements made pursuant to the provisions of this Section, including positions vacated by early retirement under R.S. 11:441(A)(1)(d), be reestablished over any five-year period. In addition, no more than one-third of the positions abolished pursuant to this Section in each branch of state government in any one fiscal year may be reestablished during that fiscal year.

§441.1. Early Retirement and Payroll Reduction Act of 2006

- (2) The limitations set forth in Paragraph (1) of this Subsection shall be inapplicable with respect to specific individual cases whenever, as to the executive branch of state government, either the commissioner of administration or the governor act together with the director of the Department of State Civil Service to certify jointly that an emergency need exists; as to the legislative branch of state government, the Legislative Budgetary Control Council certifies that an emergency need exists and such need is also so certified and approved jointly by the president of the Senate and the speaker of the House of Representatives; and as to the judicial branch of state government, the Judicial Budgetary Control Board certifies that an emergency need exists and such need is also certified and approved by the chief justice of the Louisiana Supreme Court.
- (3) Positions which are reestablished shall be filled only by appointment of existing employees from within the same agency whenever such agency has qualified personnel to fill such positions. Positions becoming vacant by such appointment of existing employees shall be abolished, subject to the same reestablishment conditions.
- (4) Whenever a position is abolished, the appointing authority of the agency in which the position is funded shall notify the state treasurer of the unspent portion of state general funds appropriated to pay for that position. The state treasurer shall withhold from that agency's state general fund appropriation an amount equal to the unspent state general fund appropriation, including employer retirement contributions, for the position abolished. If the position is reestablished, the state treasurer shall return to the agency's state general fund appropriation an amount sufficient to pay for the position from the date of reestablishment to the end of the fiscal year in the proportion and to the extent the position is to be funded from the state general fund.
- (5) Notwithstanding any other provision of law to the contrary, no position which is vacated as a result of retirement pursuant to the provisions of this Section or of R.S. 11:441(A)(1)(d) during the period beginning on January 1, 2007, and extending through December 31, 2008, shall be filled by the state of Louisiana unless such position is reestablished as provided in this Subsection and such hiring is authorized:
 - (a) Jointly by the commissioner of administration and the director of the Department of State Civil Service with respect to the executive branch of state government. The commissioner of administration shall provide the initial approval.
 - (b) By the Legislative Budgetary Control Council with respect to the legislative branch of state government.
 - (c) By the Judicial Budgetary Control Board with respect to the judicial branch of state government.

§441.1. Early Retirement and Payroll Reduction Act of 2006

- F. Notwithstanding any other provision of law or of this Section to the contrary, the provisions of this Section which eliminate vacated positions shall not be applicable to any positions of the Department of Children and Family Services, office of children and family services, child support enforcement section; or to Department of Public Safety and Corrections security officers or probation and parole officers; or to any positions of the LSU health care services division.
- G. (1) Except as provided in Paragraph (2) of this Subsection, the provisions of the Early Retirement and Payroll Reduction Act of 2001 (Act No. 844 of the 2001 Regular Session of the Legislature) and the Early Retirement and Payroll Reduction Act of 2004 (Act. No. 194 of the 2004 Regular Session of the Legislature) are not affected by this Section and the provisions of those Acts and particularly Section 5 thereof, remain in effect.
- (2) The provisions of Subsection D of this Section and of Section 4 of the Early Retirement and Payroll Reduction Act of 2004 which prohibit any person retiring pursuant to the provisions thereof or of R.S. 11:441(A)(1)(d) from being reemployed by the state of Louisiana or any agency thereof for a period of two years from the date of his retirement shall not apply to any person retiring on or after August 31, 2005, and on or before June 30, 2006, and whose last employment making him eligible for system membership was with the state or an agency thereof located in a parish designated under the Robert T. Stafford Disaster Relief and Emergency Assistance Act [FN1] as eligible for individual assistance, or individual assistance and public assistance following Hurricane Katrina or Rita.
- H. It is the express intent of the legislature in enacting this Act that the provisions of Subsection E are severable from the remaining Subsections of this Section. Further, it is the intent of the legislature in enacting this Section that any declaration, legal opinion, or court ruling declaring Subsection E of this Section unconstitutional shall not in and of itself cause the remaining Subsections to be deemed void, unenforceable, or unconstitutional.

Added by Acts 2006, No. 672, eff. June 29, 2006. Amended by Acts 2007, No. 252, §1, eff. July 1, 2007; Acts 2012, No. 255, §3, eff. August 1, 2012.

[FN1] 42 U.S.C.A. § 5121 et seq.

NOTE: See also Acts 2001, No. 844 and Acts 2004, No. 194 for similar provisions applicable to earlier time periods and for prohibitions (which remain effective) on filling of positions vacated pursuant thereto.

§442. Application for retirement; effective date; cancellation; suspension of benefits

§442. Application for retirement; effective date; cancellation; suspension of benefits

- A. An application for retirement shall be considered officially filed with the board when received in the office of the director.
- B. Retirement benefits shall become effective as of the date the application for retirement is filed in the office of the director or the day after the member terminates from the state service, whichever is later.
- C. Any member may cancel his application for retirement prior to the effective date of said retirement. However, a member cannot cancel his application for retirement on or after the effective date of retirement.
- D. (1) (a) A retiree may request immediate suspension of his retirement benefit effective upon the date of his retirement or thereafter. In such case, membership in the system shall cease effective upon the date of retirement; however, the system shall pay the retiree no retirement benefit for the period of suspension of benefits. The retiree may request the termination of such a suspension of benefits and the system shall pay the retiree a retirement benefit effective beginning on the date of such termination of suspension of benefits.
 - (b) In order for a suspension of benefits under this Paragraph to be effective, the system may require a spousal waiver of benefits which holds the system harmless for such suspension of benefits.
- (2) A retiree whose benefits have been suspended, upon termination of suspension of benefits as authorized in Paragraph (1) of this Subsection, may engage in employment which otherwise would render him eligible for membership in the system, subject to the provisions of R.S. 11:416. However, if such a retiree is reemployed under Option 2 as provided in R.S. 11:416, the retiree shall not be required to pay the system an amount equal to suspended benefits or any interest thereon.

Acts 1972, No. 135, §1, eff. July 26, 1972; Redesignated from R.S. 42:573 by Acts 1991, No. 74, §3, eff. June 25, 1991; Acts 2007, No. 252, §1, eff. July 1, 2007.

§443. Repealed by Acts 1995, No. 610, §3, eff. July 1, 1995

§444. Computation of retirement benefit

- A. (1) (a) (i) A member who retires effective on or after July 1, 1973, shall receive a maximum retirement allowance equal to two and one-half percent of average compensation, as determined under R.S. 11:231, for every year of creditable service, plus three hundred dollars.

§444. Computation of retirement benefit

- (ii) Any member whose first employment making him eligible for membership in one of the state systems occurred on or after January 1, 2011, shall receive an additional benefit equal to one percent times the number of years of creditable service as a judge in a position specified in R.S. 11:553(1), (3) through (5), (7), and (10) through (15) times his average compensation.

 - (b) The additional sum of three hundred dollars referenced in Subparagraph (a) of this Paragraph shall only apply to a person who became a member prior to July 1, 1986.
- (2)
- (a) Public safety service employees as those employees are referred to as “member” or “members” in R.S. 11:601(B) whose first employment making them eligible for membership in one of the state systems occurred on or before December 31, 2010, shall receive a retirement allowance computed in accordance with R.S. 11:602.

 - (b) Peace officers, as defined by R.S. 40:2402(3)(a), employed by the Department of Public Safety and Corrections, office of state police, other than state troopers, whose first employment making them eligible for membership in one of the state systems occurred on or before December 31, 2010, shall receive a maximum retirement allowance in accordance with the following:
 - (i)
 - (aa) Any person employed as a peace officer by the Department of Public Safety and Corrections on or before June 30, 2006 shall receive a benefit equal to three and one-third percent of average compensation, for every year of creditable service in the retirement system whether or not such service was rendered as a peace officer, not to exceed one hundred percent of the member’s average compensation.

 - (bb) Any person employed as a peace officer by the Department of Public Safety and Corrections as determined under R.S. 11:231, on or before June 30, 2006, who was participating in the Deferred Retirement Option Plan on June 30, 2007, or who had continued in employment as of such date after completion of plan participation shall have his base benefit recalculated to reflect the increase in benefits provided pursuant to Subitem (aa) of this Item. The balance in his plan account and any subsequent contributions to such account shall be increased to reflect such benefit increase.

§444. Computation of retirement benefit

- (ii) Any person first employed as a peace officer by the Department of Public Safety and Corrections after June 30, 2006, whose first employment making them eligible for membership in one of the state systems occurred on or before December 31, 2010, shall receive a benefit equal to three and one-third percent of average compensation for every year of creditable service as a peace officer employed by the Department of Public Safety and Corrections not to exceed one hundred percent of the member's average compensation.
 - (iii) Any peace officer to whom this Subparagraph applies who continues in employment after participation in the Deferred Retirement Option Plan shall receive a supplemental benefit pursuant to R.S. 11:450(D) for such continued employment calculated using the accrual rate of three and one-third percent.
- (c) (i) Full-time law enforcement personnel, supervisors, and administrators who are employed with the Department of Revenue, office of alcohol and tobacco control, on June 30, 2007, who are P.O.S.T.-certified, who have the power to arrest, and who hold a commission from such office shall receive a maximum retirement allowance equal to three and one-third percent of average compensation for:
- (aa) Every year of creditable service in the retirement system earned on or before June 30, 2007, as a peace officer as defined in R.S. 40:2402(3)(a) in compliance with the certification requirements applicable when such credit was earned, whether or not such service was rendered as such a commissioned alcohol and tobacco control officer, and
 - (bb) Every year of creditable service earned thereafter as such a commissioned alcohol and tobacco control officer.
- (ii) Full-time law enforcement personnel, supervisors, and administrators who become employed by the Department of Revenue, office of alcohol and tobacco control, on or after July 1, 2007, whose first employment making them eligible for membership in one of the state systems occurred on or before December 31, 2010, who are P.O.S.T.-certified, who have the power to arrest, and who hold a commission from such office shall receive a maximum retirement allowance equal to three and one-third percent of average compensation for every year of creditable service in the retirement system earned as such a commissioned alcohol and tobacco control officer.

§444. Computation of retirement benefit

- (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 join the secondary component of this system pursuant to R.S. 11:605(A), and who retire or begin participation in the Deferred Retirement Option Plan on or after July 1, 2014, shall receive a maximum retirement allowance equal to three percent of average compensation, as determined pursuant to R.S. 11:403(5), for every year of creditable service in the retirement system before July 1, 2014, and three and one-third percent of average compensation, as determined by R.S. 11:403(5), for every year of creditable service in the retirement system on or after July 1, 2014.
 - (ii) A probation and parole officer to whom this Subparagraph otherwise applies, but who entered the Deferred Retirement Option Plan before July 1, 2014, and who continues in employment after participation in the plan shall receive a supplemental benefit pursuant to R.S. 11:450(D) for such continued employment. Such supplemental benefit shall be calculated using the accrual rate of three percent for post-participation employment before July 1, 2014, and three and one-third percent for such employment on or after July 1, 2014.
 - (iii) Nothing in this Subparagraph shall be construed to allow recalculation of benefits for any retiree, or of base benefits as defined in R.S. 11:450(D) for any Deferred Retirement Option Plan participant, or for any person who continued in employment after completing participation in such plan.
- (3) In computing retirement allowances, any fractional period of service shall be taken into account and a proportionate amount of such retirement allowance, annuity, or benefit shall be granted. The retirement benefits provided pursuant to the provisions of this Chapter shall not exceed one hundred percent of the member's average compensation.
- B. (1) The normal retirement benefit of any member of the retirement system who is a qualified participant cannot exceed the greater of: the accrued benefit at retirement of the member as if such benefit were computed under R.S. 11:444(A) as in effect on October 14, 1987, or the limitation provided in R.S. 11:444(C) as if the qualified participant were not a qualified participant. Any election made by the member after October 14, 1987, which would have had the effect of reducing such benefit, such as an election under I.R.C. §125 or I.R.C. §457, shall be considered as not reducing the accrued benefit referred to in the preceding sentence.

§444. Computation of retirement benefit

- (2) “Qualified participant” shall mean a member of the system who first became a member before January 1, 1990. In the case of the merger of, or transfer of assets and benefits of a member or members from, another plan maintained by an employer which joins this system, the accrued benefit under such predecessor plan shall be the accrued benefit referred to above, and the member shall be considered a qualified participant if his participation in such predecessor or merged plan commenced on or before January 1, 1990.
 - (3) All employers contributing to the system on behalf of their employees, and all employers who may join the system, as a condition of such joining, shall elect, and such election is hereby implemented, to have the limitations of Section 415(b) of the Internal Revenue Code other than the Paragraph (2)(G) thereof applied, which limitations are set forth in Subsection C of this Section. Such limitations shall apply to all members who are not qualified participants as described herein.
- C. The retirement benefit of any member of this system who is not a qualified participant, as defined in Paragraph (B)(2) of this Section, when expressed as an annual benefit may not exceed the lesser of either the annual benefit authorized by Section 415(d) of the United States Internal Revenue Code or one hundred percent of such member’s average compensation for his highest three years. For purposes of determining whether a member’s benefit exceeds the limitations of this Subsection, the following shall apply:
- (1) Adjustment if benefit not single life annuity.
 - (a) If the normal form of benefit is other than a single life annuity, such form shall be adjusted actuarially to the equivalent of a single life annuity. This single life annuity shall not exceed the maximum dollar or percent limitations outlined in the Introductory Paragraph of this Subsection.
 - (b) No adjustment is required for the following: qualified joint and survivor annuity benefits; pre-retirement disability benefits; pre-retirement death benefits; and post-retirement medical benefits.
 - (2) Adjustment if benefit commences before age sixty-two.
 - (a) If benefit distribution commences before age sixty-two, the actual retirement benefit shall not exceed the lesser of one hundred percent of the member’s average compensation or the adjusted dollar limitation. The adjusted dollar limitation shall be the equivalent, determined in a manner consistent with reduction of benefits for early retirement under Section 415 of the Internal Revenue Code and related federal regulations, of one hundred sixty thousand dollars, as of January 1, 2002, adjusted annually pursuant to Section 415(d) of the Internal Revenue Code, commencing

§444. Computation of retirement benefit

at age sixty-two. For purposes of this adjustment, survivor benefits, that portion of a joint and survivor annuity which is the survivor benefit, and any other ancillary benefits shall not be taken into account.

- (b) No adjustment is required for a member with at least fifteen years of creditable service as a full-time employee of any police department or fire department which is organized and operated to provide police protection, firefighting services, or emergency medical services.
- (3) Adjustment if benefit commences after age sixty-five. If benefit distribution commences after age sixty-five, the dollar limitation shall be increased, as provided for in Section 415 of the Internal Revenue Code and related federal regulations, to the equivalent of one hundred sixty thousand dollars, as of January 1, 2002, adjusted annually pursuant to Section 415(d) of the Internal Revenue Code, commencing at age sixty-five.
- (4) Interest assumption. The interest rate used for adjusting the maximum limitations above shall be:
 - (a) For benefits commencing before age sixty-two and for forms of benefit other than straight life annuity, the greater of:
 - (i) Five percent.
 - (ii) The rate used to determine actuarial equivalence for other purposes of this retirement system.
 - (b) For benefits commencing after age sixty-five, the lesser of:
 - (i) Five percent.
 - (ii) The rate used to determine actuarial equivalence for other purposes under this retirement system.
- (5) Adjustment for less than ten years of participation or service.
 - (a) If retirement benefits are payable under this retirement system to a member who has less than ten years of participation in the retirement system, the dollar limitation referred to in the Introductory Paragraph of this Subsection will be multiplied by a fraction, the numerator of which is the member's number of years of participation in the system, and the denominator of which is ten.

§444. Computation of retirement benefit

- (b) If retirement benefits are payable under this retirement system to a member who has less than ten years of service with the employer, the percentage limitation referred to in the Introductory Paragraph of this Subsection and the dollar limitation referred to in Paragraph (8) of this Subsection will be multiplied by a fraction, the numerator of which is the member's number of years of service with the employer and the denominator of which is ten.
- (6) Annual adjustment. The annual benefit limitation, which is based on Section 415(d) of the United States Internal Revenue Code, as provided in this Subsection, shall be adjusted annually to the maximum dollar limits allowable by the secretary of the Treasury of the United States under Section 415(d) of the Internal Revenue Code. Such adjustments shall not take effect until the first day of each fiscal year following December 31, 1987. The adjustment shall not exceed the adjustment in effect for the calendar year in which the fiscal year of the system begins.
- (7) Member or participant in more than one plan. If a member is a member or participant in more than one defined benefit pension plan maintained by the state, its agencies, or its political subdivisions, then such member's benefit, considered in the aggregate after taking into account the benefits provided by all such retirement plans, shall not exceed the limits provided in this Subsection.
- (8) Total annual benefits not in excess of ten thousand dollars. Notwithstanding the provisions of this Subsection, the benefits payable with respect to a participant under any defined benefit plan shall be deemed not to exceed the limitations of this Subsection if both of the following apply:
- (a) The retirement benefits payable with respect to such participant under such plan and under all other defined benefit plans of the employer do not exceed ten thousand dollars for the plan year, or for any prior plan year.
- (b) The employer has not at any time maintained a defined contribution plan in which the participant participated.
- (9) Average compensation.
- (a) For purposes of Subsection A of this Section, average compensation shall include any amounts properly considered as the regular rate of pay of the member, as defined in R.S. 11:231 and unreduced by amounts excluded from income for federal income tax purposes by reason of Section 414(h), Section 125, or Section 457 of the Internal Revenue Code or any other provision of federal law of similar effect.

§444. Computation of retirement benefit

- (b) For purposes of this Subsection, average compensation shall include total compensation payable by the employer and included in the employee's income for federal income tax purposes and shall exclude amounts not includable in the member's gross income by reason of Section 414(h) of the Internal Revenue Code. A member's highest three years shall be the period of three consecutive calendar years during which the member both was an active participant in the plan and had the greatest aggregate compensation from the employer.
- (10) Annual compensation limitation for determination of benefits. Unless otherwise provided in this Chapter, the accrued benefit of each "Section 401(a)(17) employee", as that term is defined in this Paragraph, shall be the greater of the following:
- (a) The employee's accrued benefit determined with respect to the benefit formula applicable for the plan year beginning on or after January 1, 1996, as applied to the employee's total years of service taken into account for purposes of benefit accruals.
 - (b) The sum of:
 - (i) The employee's accrued benefit as of the last day of the last plan year beginning before January 1, 1996, frozen in accordance with the provisions of 26 CFR 1.401(a)(4) through (13).
 - (ii) The employee's accrued benefit determined under the benefit formula applicable for the plan year beginning on or after January 1, 1996, as applied to the employee's years of service credited to the employee for plan years beginning on or after January 1, 1996, for purposes of benefit accruals.
 - (c) (i) For purposes of this Paragraph, a "Section 401(a)(17) employee" shall mean an employee whose current accrued benefit as of a date on or after the first day of the first plan year beginning on or after January 1, 1996, is based on compensation for a year beginning prior to the first day of the first plan year beginning on or after January 1, 1996, that exceeded one hundred fifty thousand dollars.
 - (ii) If an employee is not a Section 401(a)(17) employee, his accrued benefit in this system shall not be based upon compensation in excess of the annual limit provided for in Section 401(a)(17) of the United States Internal Revenue Code, as amended and revised.

§445. Payment of benefit; guaranteed return of accumulated contributions

Acts 1972, No. 135, §1, eff. July 26, 1972. Amended by Acts 1973, No. 4, §1; Acts 1983, No. 674, §3; Acts 1986, No. 608, §2, eff. July 1, 1986; Acts 1988, No. 664, §1, eff. July 15, 1988; Acts 1989, No. 220, §1; Redesignated from R.S. 42:575 by Acts 1991, No. 74, §3, eff. June 25, 1991; Acts 1995, No. 1112, §1; Acts 1999, No. 42, §1, eff. May 28, 1999; Acts 2001, No. 746, §1, eff. Dec. 31, 2001; Acts 2005, No. 75, §1, eff. July 1, 2005; Acts 2006, No. 835, §1, eff. July 1, 2006; Acts 2007, No. 353, §1, eff. June 30, 2007; Acts 2007, No. 414, §1, eff. June 30, 2007; Acts 2008, No. 312, §1, eff. June 17, 2008; Acts 2010, No. 992, §1, eff. Jan. 1, 2011; Acts 2010, No. 1004, §1, eff. July 1, 2010; Acts 2014, No. 852, §1 eff. June 30, 2014.

NOTE: See Acts 2004, No. 7, §6, providing that the Act shall not affect or change any law relative to retirement or retirement or survivor benefits of employees of the Dept. of Public Safety and Corrections

§445. Payment of benefit; guaranteed return of accumulated contributions

- A. The retirement allowance, annuity or benefit shall be paid in equal monthly installments for life and shall not be increased, decreased, revoked, or repealed except for error or where otherwise specifically provided by law.
- B. Each member or retiree shall be guaranteed the refund or return of an amount equal to his accumulated contributions either in a monthly benefit or a lump sum refund, or both, paid to his named beneficiary or estate.

Acts 1972, No. 135, §1, eff. July 26, 1972; Redesignated from R.S. 42:576 by Acts 1991, No. 74, §3, eff. June 25, 1991.

§446. Mode of payment where option elected

- A. Upon application for retirement any member may elect to receive his benefit in a retirement allowance payable throughout his life, or he may elect at that time to receive the actuarial equivalent of his retirement allowance in a reduced retirement allowance payable throughout life, with the provision that:
 - (1) **Option 1.** If he dies before he has received in annuity payments the value of the member's annuity as it was at the time of his retirement, the balance shall be paid to his legal representatives or to the person he nominates by written designation duly acknowledged and filed with the board; or
 - (2) (a) **Option 2-A.** Upon his death his reduced retirement allowance shall be continued throughout the life of and paid to the person he nominated by written designation duly acknowledged and filed with the board of trustees at the time of his retirement; or
 - (b) **Option 2-B.** Upon his death his reduced retirement allowance shall be continued throughout the life of and paid to the person he nominated by written designation and, upon the death of that designated person, his reduced benefit shall be continued throughout the life of the deceased member's mentally handicapped child or children, but such benefits shall be paid to the guardian of such child or children except as provided in Subsection G of this Section. The written designation provided for in this

§446. Mode of payment where option elected

Subparagraph shall be duly acknowledged and filed with the board of trustees at the time of the member's retirement.

- (c) Unless otherwise specified, any reference in law to this Paragraph or to Option 2, without reference to a particular Subparagraph or to Option 2-A or Option 2-B shall mean Subparagraph (a) of this Paragraph or Option 2-A.
- (3) **Option 3.** Upon his death one-half of his reduced retirement allowance shall be continued throughout the life of and be paid to the person he nominated by written designation duly acknowledged and filed with the board of trustees at the time of his retirement; or
- (4) **Option 4.** Some other benefit or benefits shall be paid either to the member or to the person or persons he nominated, provided the other benefit or benefits, together with the reduced retirement allowance, shall be certified by the actuary to be of equivalent actuarial value to his retirement allowance and shall be approved by the board.
- (5) **Initial Benefit Option.**
 - (a) The initial benefit option provided in this Paragraph is available to a member who has not participated in the Deferred Retirement Option Plan provided in this Chapter and who selects the maximum benefit or one of the options in Paragraphs (2), (3), or (4) of this Subsection and, if this initial benefit option is selected, the person shall thereafter be ineligible to participate in the Deferred Retirement Option Plan under this Chapter.
 - (b) If a member selects the initial benefit option provided in this Paragraph, the member may receive an initial benefit plus a reduced monthly retirement allowance, provided the initial benefit together with the reduced monthly retirement allowance shall be actuarially equivalent to his maximum retirement allowance.
 - (c) The amount of the initial benefit, as determined by the member, shall not exceed an amount equal to thirty-six payments of the member's maximum retirement allowance.
 - (d) The initial benefit shall, at the option of the member, be paid as a lump-sum payment or shall be placed in an account in accordance with R.S. 11:449 with interest credited in accordance therewith and payments from the account shall be made in accordance with R.S. 11:450(A)(1).
 - (e) The monthly retirement benefit received by the retiree and the beneficiary/survivor shall be based on the amount otherwise payable under the retirement option selected that is actuarially reduced by an amount calculated to offset the cost of the initial benefit.

§446. Mode of payment where option elected

- (f) If a member elects the initial benefit option and retires under the provisions of R.S. 11:558 or 582, the monthly benefit of the retiree and the survivors payable under the provisions of R.S. 11:562 or 591 shall be actuarially reduced under the provisions of Subparagraphs (b) and (e) of this Paragraph.
 - (g) If a change in option selection is allowed under the provisions of Subsection D or E of this Section, the monthly benefit payable under those provisions shall be actuarially reduced in accordance with the provisions of this Paragraph.
 - (h) A person who retires under the provisions of disability retirement may not select the initial benefit option.
 - (i) A person who selects this option and subsequently returns to state employment shall be governed by the reemployment after retirement provisions of R.S. 11:416(A)(1) and (3).
 - (j) Cost-of-living adjustments or permanent benefit increases granted by the board of trustees to retirees who select the initial benefit option shall be computed on the basis of each retiree's regular monthly retirement benefit or on the basis of each beneficiary/survivor's benefit based on the option selected as reduced and shall not be computed on the initial benefit received either as a lump-sum or paid pursuant to R.S. 11:450(A) (1).
- (6) **Annual Cost-of-Living Adjustment Option.** In addition to any of the above options, upon application for retirement or participation in the Deferred Retirement Option Plan, any member may make an election, which is irrevocable after the effective date of retirement or the beginning date of participation in the Deferred Retirement Option Plan, to receive an actuarially reduced retirement allowance plus an annual two and one-half percent cost-of-living adjustment pursuant to R.S. 11:247.
- B. A retiree cannot change the designation of beneficiary unless the retirement was approved under Option 1.
 - C. No change in the option elected by the member, other than to correct administrative error, shall be permitted after the application has been officially filed with the board.
 - D. If the beneficiary dies at any time before the death of the retiree, the benefits payable to the retiree shall be increased to the amount the retiree would have received had the retiree selected the maximum benefit, and the retiree's reduced benefit shall

§446. Mode of payment where option elected

change to the maximum benefit effective on the first day of the next month following the death of the designated beneficiary. It shall be the responsibility of the retiree to notify the system of the death of the beneficiary and to furnish the beneficiary's death certificate.

- E. If an option of Subsection A of this Section hereof was selected, and the retiree's spouse was designated as the beneficiary, and a judgment of divorce is rendered with respect to the retiree and the spouse, and, in connection therewith, the spouse, irrevocably, by court order, relinquishes the spouse's survivorship rights under the option originally selected by the retiree, the originally selected option shall be considered revoked and the retiree shall be considered as retired under the maximum benefit, subject to reduction as hereinafter set forth, and without affording the retiree the right to select an option under which the retiree could designate a new beneficiary, and the benefits payable to the retiree shall be increased to the amount the retiree would have received had the retiree selected the maximum benefit, adjusted for any cost-of-living increase or permanent benefit increase granted to the retiree, less any amount required as a result of such change in retirement status to render the new benefit to be the actuarial equivalent of the maximum benefit. The retiree shall be required to reimburse the system, by way of a one-time deduction from the retiree's next benefit check, the reasonable costs incurred by the system to have these calculations made. The retiree shall be required to contractually hold the system harmless in the event that the former spouse ever successfully asserts a property right relative hereto which has any adverse effect upon the system. It shall be the responsibility of the retiree to notify the system of these circumstances, to present satisfactory evidence of same, and to request the recomputation of benefits. Adjustment of benefits under this Subsection shall not be retroactive, and shall be effective on the first day of the next month following official approval of the application for recomputation of benefits.
- F. If the member is married, the designated beneficiary for a qualified joint and survivor annuity and any Deferred Retirement Option Plan benefits payable in accordance with law shall be his spouse, unless such spouse has consented to the contrary in writing before a notary public, or such spouse cannot be located and the member submits an original affidavit signed by him before a notary public which evidences good faith efforts to locate the spouse. If the member does not select a joint and survivor annuity option and fails to provide such a spousal consent at the time of his retirement, then for the purposes of a retirement benefit option the system shall establish the benefit as if the member had selected the Option 3 joint and survivor annuity as provided in Paragraph (A)(3) of this Section. For purposes of this Paragraph, "spouse" shall mean that person who is married to the member under a legal regime of community of acquets and gains on his effective date of retirement or effective date of participation in the Deferred Retirement Option Plan, whichever is earlier.

§446. Mode of payment where option elected

- G. (1) If a retiree designates a child as a beneficiary under Option 1, Option 2-A, Option 2-B, Option 3, or Option 4 as provided in Subsection A of this Section, or if a retiree designates children as beneficiaries under Option 2-B as provided in Subsection A of this Section, and a trust is created under law by the retiree for the benefit of the child designated as a beneficiary under Option 1, Option 2-A, Option 2-B, Option 3, or Option 4 as provided in Subsection A of this Section, or for the benefit of the children designated as beneficiaries under Option 2-B as provided in Subsection A of this Section, if the terms of the trust so provide, and if the system is provided with a certified copy of the trust document, then the optional retirement allowance payable to a beneficiary pursuant to this Subsection upon the death of the retiree shall be paid to the trust for addition to the trust property.
- (2) If the trust is contested by any party, the system shall withhold all benefit payments or deposit them in the registry of the court if a concursus proceeding is filed until there is a final binding legal agreement or judgment regarding the proper payment of benefits.
- (3) If the trust terminates under the terms of the trust prior to the death of a designated beneficiary, then any optional retirement allowance payable after the date of termination of the trust shall be paid as provided for in Subsection A of this Section.
- (4) The trustee of the trust shall immediately notify the system in writing of the death of a beneficiary. Upon the death of a beneficiary, benefit payments from the system to the trust on behalf of the deceased beneficiary shall cease.
- (5) For purposes of this Subsection only, the term “child” shall mean a minor or major child, regardless of age, who is the issue of a marriage of a member of this system, the legally adopted child of a member of this system, a child born outside of marriage of a female member of this system, or the child of a male member of this system if acknowledged or filiated pursuant to the provisions of the Civil Code.

Acts 1972, No. 135, §1, eff. July 26, 1972. Amended by Acts 1975, No. 455, §1; Acts 1982, No. 399, §1; Acts 1989, No. 218, §1; Acts 1991, No. 404, §2, eff. Jan. 1, 1992; Acts 1991, No. 529, §2, eff. Jan. 1, 1992; Redesignated from R.S. 42:577 by Acts 1991, No. 74, §§3, 5, eff. June 25, 1991; Acts 1995, No. 1110, §1, eff. Jan. 1, 1996; Acts 2001, No. 412, §1, eff. June 15, 2001; Acts 2004, No. 266, §1, eff. July 1, 2004; Acts 2006, No. 770, §1, eff. June 30, 2006; Acts 2008, No. 260, §1, eff. June 17, 2008; Acts 2009, No. 270, §1, eff. July 1, 2009; Acts 2010, No. 861, §4; Acts 2010, No. 951, §1; Acts 2014, No. 852, §1 eff. June 30, 2014.

§447. Deferred Retirement Option Plan

- A. In lieu of terminating employment and accepting a retirement allowance, any member of this system who is eligible for regular retirement may elect to participate in the Deferred Retirement Option Plan subject to the provisions of R.S. 11:447 through 454.
- B. For purposes of participation in the Deferred Retirement Option Plan, “regular retirement” shall not include retirement under any early retirement incentive plan.
- C. An election to participate in the plan under Subsection A of this Section may be made only once, for a specified period not to exceed three years. The three-year period begins within sixty calendar days after the member first becomes eligible for regular retirement under the retirement provisions applicable to the member. The participation period must end not more than three years and sixty calendar days from the date the member first becomes eligible for regular retirement, and in no case shall the actual participation in the plan exceed three years. Once specified, the period of participation shall not be extended. A member participating in the plan shall not terminate participation in this plan prior to the end of the selected duration without terminating employment.
- D. For purposes of this plan, sick and annual leave shall not be converted for purposes of establishing eligibility.
- E. A retiree who has been rehired under the provisions of R.S. 11:416(A)(3) shall not be eligible to participate in the Deferred Retirement Option Plan.

Acts 1990, No. 14, §1, eff. Jan. 1, 1991; Redesignated from R.S. 42:578.1 by Acts 1991, No. 74, §3, eff. June 25, 1991; Acts 1992, No. 167, §1; Acts 1993, No. 229, §1, eff. July 1, 1993; Acts 1995, No. 82, §1; Acts 1995, No. 566, §1; Acts 1995, No. 610, §1, eff. July 1, 1995; Acts 1995, No. 1110, §1, (Subsection A eff. June 30, 1995; Subsection C eff. Jan. 1, 1995); Acts 2003, No. 818, §1, eff. Jan. 1, 2004.

§448. Plan participation

- A. Upon the effective date of commencement of participation in the plan and during the period of participation in the plan, neither the employee nor the employer contributions shall be payable, and the participant in the plan shall be considered as a Deferred Retirement Option Plan participant, and except as provided in R.S. 11:447 through 454, the Deferred Retirement Option Plan participant shall be treated as a member of the system.
- B. For purposes of this Section, final average compensation and creditable service shall remain fixed as they existed on the date of commencement of participation in the plan. Creditable service shall not include conversion of sick and annual leave.

§449. Deferred Retirement Option Plan

- (1) Any person who has completed participation in the Deferred Retirement Option Plan and continued employment such that he was employed by a member agency of the Louisiana State Employees' Retirement System on or after July 1, 2003, who makes application for retirement to the system and leaves service on or before December 31, 2003, and is still a contributing member of the Louisiana State Employees' Retirement System on August 15, 2003, may upgrade all or a portion of service credit earned prior to entry into the Deferred Retirement Option Plan by purchase made pursuant to R.S. 11:158. The balance in the employee's Deferred Retirement Option Plan account and any contribution made to the Deferred Retirement Option Plan account shall be unaffected by the recalculation of the retirement benefit.
- (2) Final average compensation for service credit earned prior to entry into the Deferred Retirement Option Plan shall include the cash value of any emolument of office granted in lieu of salary, provided the member who makes application for retirement to the system and leaves service on or before December 31, 2003, pays, at the time of the application for service credit, the total actuarial cost as provided in R.S. 11:158, which cost shall completely offset the liability to the system for benefits attributed to the retirement credit for the emolument received.

C. Retirement benefits based on final average compensation and creditable service as established under Subsection B of this Section and which otherwise would have been due the participant shall, during the period of participation in the plan, be credited to the participant's Deferred Retirement Option Plan subaccount.

D. Individuals who participate in the plan shall not receive the benefit of any cost-of-living adjustments granted while employed and for a period of one year following termination of employment and then such cost-of-living adjustment shall only be granted in accordance with R.S. 11:542.

Acts 1990, No. 14, §1, eff. Jan. 1, 1991; Redesignated from R.S. 42:578.2 by Acts 1991, No. 74, §3, eff. June 25, 1991; Acts 2001, No. 308, §1, eff. June 6, 2001; Acts 2003, No. 818, §1, eff. Jan. 1, 2004; Acts 2003, No. 1234, §1.

§449. Deferred Retirement Option Plan

A. The system shall establish a Deferred Retirement Option Plan which shall be a part of the system fund. While participating in the plan, participants' contributions shall be credited to subaccounts as established in this Section.

- (1) The contributing period shall mean that time period when funds are being credited to the participant's subaccount maintained by the system.
- (2) After the contributing period ends, the balance of the subaccount shall then be transferred to the self-directed subaccount, which shall be known as the investment period.

B. Both subaccounts shall be within the Deferred Retirement Option Plan established pursuant to this Section. Management of the funds shall be by the system during the contributing period. When the funds are transferred to the self-directed subaccount

§450. Termination of participation

for the investment period, the system is authorized to hire a third-party provider who shall be an agent of the system for purposes of investing balances in the self-directed subaccounts of the participants.

- C. The system or the third party provider shall maintain the subaccounts within this plan reflecting the credits attributed to each participant in the plan during the contributing or investment period. All monies in the subaccounts, while the participant is employed, shall remain a part of the fund, regardless of in which subaccount the monies are maintained, until disbursed to a participant in accordance with the plan provisions upon termination of employment.
- D. Interest shall not be credited to a participant's subaccount during the contributing period. All amounts which remain credited to the individual's subaccount after termination of participation in the plan and employment shall be disbursed as provided in R.S. 11:450.
- E. Any retiree who received a qualified hurricane distribution prior to January 1, 2007, pursuant to the Katrina Emergency Tax Relief Act of 2005 or the Gulf Opportunity Zone Act of 2005, may contribute all or part of such qualified hurricane distribution within three years from the date on which such qualified hurricane distribution was received, but only to the extent that such qualified hurricane distribution was eligible for tax-free rollover treatment.

Acts 1990, No. 14, §1, eff. Jan. 1, 1991; Redesignated from R.S. 42:578.3 by Acts 1991, No. 74, §3, eff. June 25, 1991; Acts 2003, No. 818, §1, eff. Jan. 1, 2004; Acts 2003, No. 962, §1, eff. Jan. 1, 2004; Acts 2007, No. 50, §1, eff. June 18, 2007; Acts 2008, No. 714, §1, eff. July 1, 2009, or sixty days after a final judgment, whichever is later; Acts 2013, No. 220, §28, eff. June 11, 2013; Acts 2014, No. 791 §5, August 1, 2014.

NOTE: See Acts 2003, No. 962, §3, relative to applicability of provisions relative to LASERS and Acts 2003, No. 818, superceding conflicting provisions of Act No. 962. (Affects Subsection D as so designated in Act No. 818.)

§450. Termination of participation

- A. Upon termination of participation in both the plan and employment, a participant shall:
 - (1) At the participant's option, receive either a lump sum payment from the account equal to the amount then credited to his individual subaccount; or systematic disbursements based on his individual subaccount in any manner approved by the board; and
 - (2) Begin to receive regular monthly retirement benefits based on the option selected at the time of election to participate in the plan, as adjusted pursuant to Subsection D of this Section.
 - (3) For the purposes of this Section, a termination of employment shall not mean a termination from one position covered by the system to take another position covered by the system, as long as there is no break in service.

- B. Upon termination of participation in the plan but not employment, credits to the account shall cease and no retirement benefits shall be paid to the participant until employment is terminated. The balance in the participant's subaccount shall be placed in a self-directed subaccount in the name of the participant as provided for in R.S. 11:451.1, and the participant shall then be bound by the provisions of that Section. No payment shall be made based on credits in the subaccount until employment is terminated as defined in this Section. The participant may continue employment after termination of participation in the plan for the sole purpose of accruing a supplemental benefit, and employer and employee contributions shall resume. Participants who have ended their participation in the Deferred Retirement Option Plan but not employment shall make contributions at the rate established in R.S. 11:62.
- C. If the participant dies, whether still participating in the Deferred Retirement Option Plan or after participation but while still employed, his credits and benefits, if any, that are due to his beneficiaries shall be payable as if he had retired immediately prior to death and his retirement was in accordance with R.S. 11:441 through 446 for a regular member, R.S. 11:562 and 562.1 for judges and court officers, and R.S. 11:591 for wildlife agents.
- D. Monthly retirement benefits payable to a participant after termination of participation in the plan and employment shall be calculated as follows:
- (1) There shall be a "base benefit" which shall equal the participant's monthly credit to the account as calculated at the time of the participant's entry into the plan.
 - (2) If the participant does not continue employment after termination of participation in the plan, his monthly retirement benefit shall equal his base benefit.
 - (3) (a) Except as provided in Subparagraph (b) of this Paragraph, if the participant continues employment after termination of participation in the plan for a period of less than thirty-six months, his monthly retirement benefit shall equal his base benefit plus a supplemental benefit based upon the service credit for the additional employment, based upon the final average compensation used to calculate the monthly credit. If the employment is for less than three months, then the service credit shall be rounded to the nearest tenth.
 - (b) For a participant whose final average compensation period is more than thirty-six months, if the participant continues employment after termination of participation in the plan for a period of less than his final average compensation period, his monthly retirement benefit shall equal his base benefit plus a supplemental benefit based upon the service credit for the additional employment, based upon the final average compensation used to calculate the monthly credit. If the employment is for less than three

months, then the service credit shall be rounded to the nearest tenth.

- (4) (a) Except as provided in Subparagraph (b) of this Paragraph, if the participant continues employment after termination of participation in the plan for a period of thirty-six months or more, his monthly retirement benefit shall equal his base benefit plus a supplemental benefit based upon the service credit for the additional employment, based upon the final average compensation for the period of employment after termination of participation in the plan.
- (b) For a participant whose final average compensation period is more than thirty-six months, if the participant continues employment after termination of participation in the plan for a period equal to or longer than his final average compensation period, his monthly retirement benefit shall equal his base benefit plus a supplemental benefit based upon the service credit for the additional employment, based upon the final average compensation for the period of employment after termination of participation in the plan.
- (5) The amount of unused sick and annual leave at the time of termination may be converted to retirement credit under the provisions of R.S. 11:424. If a participant continues employment for less than three years after termination of participation in the plan, then unused sick and annual leave shall be used to compute a supplemental benefit using the member's final average compensation as provided in Paragraph (D)(1) of this Section. If a participant continues employment for more than three years after termination of participation in the plan, then unused sick and annual leave shall be used to compute a supplemental benefit using the member's final average compensation as provided in Paragraph (D)(4) of this Section.
- (6) In no instance shall a supplemental benefit and a base benefit, added together, exceed one hundred percent of the applicable final average compensation.

Acts 1990, No. 14, §1, eff. Jan. 1, 1991; Redesignated from R.S. 42:578.4 by Acts 1991, No. 74, §3, eff. June 25, 1991; Acts 1995, No. 1110, §1, eff. Jan. 1, 1996; Acts 1997, No. 525, §1, eff. July 3, 1997, retroactive to Jan. 1, 1991; Acts 1999, No. 1320, §1, eff. July 12, 1999; Acts 2001, No. 308, §1, eff. June 6, 2001; Acts 2003, No. 818, §1, eff. Jan. 1, 2004; Acts 2006, No. 835, §1, eff. July 1, 2006; Acts 2007, No. 353, §1, eff. June 30, 2007; Acts 2008, No. 714, §1, eff. July 1, 2009, or sixty days after a final judgment, whichever is later; Acts 2011, No. 368, §1, eff. July 1, 2011. Acts 2013, No. 220, §28, eff. June 11, 2013; Acts 2014, No. 791 §5, eff. August 1, 2014; Acts 2014, No. 852 §1, eff. June 30, 2014.

NOTE: See Acts 2004, No. 7, §6, providing that the Act shall not affect or change any law relative to retirement or retirement or survivor benefits of employees of the Dept. of Public Safety and Corrections.

§450.1. Deferred Retirement Option Plan participation; termination due to hurricanes

§450.1. Deferred Retirement Option Plan participation; termination due to hurricanes

- A. Notwithstanding any provision of law to the contrary, any member whose participation in the Deferred Retirement Option Plan has ended but who remained employed until such employment was interrupted or ceased upon his being terminated due to a reduction-in-force necessitated by Hurricane Katrina or Hurricane Rita, or both, shall have the time period applicable to his employment after participation in the plan adjusted upon his reemployment and resumption of membership in the system as though his employment had not ceased. The time period applicable to his continued employment after termination of plan participation, for purposes of this Section, shall be calculated as provided in R.S. 11:450(D)(3) and (4). However, such adjustment shall not include the period during which the member was not employed. Such adjustment shall be for an uninterrupted span of employment from reemployment through July 9, 2007. In no case shall this Section be applicable to anyone who became reemployed more than one year after being furloughed or terminated, whichever occurred first, or to anyone reemployed on or after December 31, 2006.
- B. Any person seeking to avail himself of the provisions of this Section shall first repay all funds received from the system upon termination plus interest thereon charged at the board-approved actuarial valuation rate compounded annually from the date of payment of funds by the system to the date of repayment.
- C. This Section shall apply only to retirees who elected to return to employment pursuant to Option 3 as provided in R.S. 11:416(A)(3).

Added by Acts 2007, No. 326, §1, eff. July 9, 2007.

§451. Irrevocability of election

Once participation in the plan commences, the election to participate is irrevocable and the term of participation may not be extended. Only one period of participation is permitted. Final average compensation and election of option, if any, are fixed upon commencement of participation and may not be changed after entering the Deferred Retirement Option Plan.

Acts 1990, No. 14, §1, eff. Jan. 1, 1991; Redesignated from R.S. 42:578.5 by Acts 1991, No. 74, §3, eff. June 25, 1991; Acts 1995, No. 1110, §1, eff. Jan. 1, 1996; Acts 2003, No. 818, §1, eff. Jan. 1, 2004

§451.1. Self-direct Deferred Retirement Option Plan participants' subaccounts

- A. Each participant who at his option continues employment after participation in the contribution portion of the Deferred Retirement Option Plan shall have the balance of his subaccount as of the end of the contribution period transferred to a subaccount to be managed by a third party provider selected in accordance with R.S. 11:451.2

in accordance with the agreement entered into by the system and the third party provider. Each participant who terminates employment, as defined herein, after the contribution period may at his option participate in the self-directed plan under the same conditions.

- B. Each participant in the self-directed portion of this plan agrees that the benefits payable to participants are not the obligations of the state of Louisiana or the Louisiana State Employees' Retirement System and that any returns and other rights of the plan are the sole liability and responsibility of the participant and the designated provider to which contributions have been made. Furthermore, each such participant, in accordance with this provision, shall expressly waive his rights set forth in Article X, Section 29(A) and (B) of the Louisiana Constitution as it relates to his subaccount in the self-directed portion of the plan.
- C. By participating in the self-directed portion of the plan, the participant agrees that he and the provider shall be responsible for complying with all applicable provisions of the Internal Revenue Code, and if any violation of that code occurs as a result of the participant's participation in this portion of the plan, it will be the responsibility and liability of the participant and the provider and not the Louisiana State Employees' Retirement System.
- D. There shall be no liability on the part of, and no cause of action of any nature shall arise against, the Louisiana State Employees' Retirement System, or its agents or employees, for any action taken by the participants for choices the participants make in relationship to the funds they chose to place in their subaccount balance.

Acts 2003, No. 818, §1, eff. Jan. 1, 2004; Acts 2008, No. 714, §1.

§451.2. Selection of providers

The Board of Trustees of the Louisiana State Employees' Retirement System shall select a provider which will be authorized to place the Deferred Retirement Option Plan participant's subaccount balance, after the Deferred Retirement Option Plan participation ends, in products that shall be selected by the participant. In selecting a provider, the board shall consider, among other things, the following:

- (1) The tax status of the products.
- (2) The portability of the products offered by the provider.
- (3) The types and diversity of products offered by the provider.
- (4) The ability of the designated provider to provide the rights and benefits under the products.

- (5) At a minimum, one short-term fixed income option.
- (6) At least one of the fund providers shall maintain an office in the state of Louisiana.

Added by Acts 2003, No. 818, §1, eff. Jan. 1, 2004.

§451.3. Vested participants

Those individuals who have entered the Deferred Retirement Option Plan prior to the effective date of the self-directed portion of the plan will have the option to participate in the self-directed plan or remain in the plan as it existed when the participant entered the Deferred Retirement Option Plan, whether the participant terminated employment or remained employed.

Added by Acts 2003, No. 818, §1, eff. Jan. 1, 2004.

§451.4. Rules and regulations

The system is authorized to adopt regulations under the Administrative Procedure Act to implement this plan.

Added by Acts 2003, No. 818, §1, eff. Jan. 1, 2004.

§452. Renunciation; retirement benefit or allowance

The Louisiana State Employees' Retirement System is hereby authorized to promulgate rules and regulations in accordance with the Administrative Procedure Act to permit the irrevocable renunciation of a retirement benefit or allowance. If such rules and regulations are adopted, any renunciation thereunder shall be deemed to be made pursuant to this Section. The provisions of this Section shall have retroactive effect.

Added by Acts 1993, No. 433, §1.

§453. Repealed by Acts 2006, No. 770, §2, eff. June 30, 2006

§454. Excess benefit arrangement

A. A separate, nonqualified, unfunded excess benefit arrangement is hereby created outside the trust fund of the retirement system. This excess benefit arrangement shall be administered as a governmental excess benefit arrangement under Section 415(m) of the Internal Revenue Code of 1986. The purpose of the excess benefit arrangement is to pay to retirees of the retirement system benefits otherwise payable by the retirement system that exceed the limitations on benefits imposed by Section 415(b)(1)(A) of the Internal Revenue Code of 1986.

B. The board of trustees shall be responsible for the administration of the arrangement provided for in this Section. Except as otherwise provided by this Section, the

§454. Excess benefit arrangement

board has the same rights, duties, and responsibilities concerning the excess benefit arrangement as it has to the trust fund and may adopt rules and regulations necessary to administer this arrangement in accordance with the Administrative Procedure Act and in compliance with Section 415(m) of the Internal Revenue Code of 1986.

- C. Benefits under this Section are exempt from execution to the same extent as provided by R.S. 11:405, subject to the exceptions in R.S. 11:291 and 292, and the benefits are completely unassignable. Contributions to this arrangement are not held in trust and may not be commingled with other funds of the retirement system.
- D. A retiree is entitled to a monthly benefit under this Section in an amount equal to the amount by which the benefit otherwise payable by the retirement system has been reduced by the limitation on benefits imposed by Section 415(b)(1)(A) of the Internal Revenue Code of 1986. The benefit payable by this arrangement is payable at the time and in the form that the benefit payable under the trust fund is paid.
- E. The benefit payable under this Section shall be paid from contributions that otherwise would be made to the trust fund under this Title. In lieu of deposit in the trust account, an amount determined by the retirement system to be necessary to pay benefits under this Section shall be paid monthly to the credit of a separately dedicated account maintained only for the excess benefit arrangement. The account may include amounts needed to pay reasonable and necessary expenses of administering this arrangement. The monthly amount to be paid to the credit of the account shall be transferred to the account prior to the date of a monthly disbursement under this Section.
- F. The board reserves the right to amend, terminate, or reestablish the arrangement at any time. Such amendment or termination may be retroactive to the extent that the board deems such action necessary to maintain the tax-qualified status of the pension plan or the status of this arrangement as an excess benefit arrangement or to avoid jeopardizing the funded status of the pension plan. In addition, the arrangement may be amended or terminated to eliminate all benefits with respect to any member or other person who has not become eligible to participate in an excess benefit plan arrangement as of the date of such amendment or termination.

Added by Acts 1999, No. 26, §1, eff. May 21, 1999.

Subpart B. Disability Retirement

§461. Eligibility; certification

- A. Eligibility for disability benefits, procedures for application for disability benefits, procedures for the certification of continuing eligibility for disability benefits, the authority of the board of trustees to modify disability benefits, and procedures governing the restoration to active service of a formerly disabled employee are specifically described and provided for in R.S. 11:212 through 225.
- B. The board of trustees shall award disability benefits to eligible members who have been officially certified as disabled by the State Medical Disability Board. The disability benefit shall be determined as follows:
- (1) Except as otherwise provided in this Section, a member shall receive a maximum disability retirement benefit which shall be equivalent to the regular retirement formula without reduction by reason of age.
 - (2) Subject to the appropriation of funds for this purpose, a corrections officer, probation or parole officer, or a security officer of the Louisiana Department of Public Safety and Corrections who becomes disabled solely as a result of disabilities sustained in the official performance of official duties of a hazardous nature shall receive a maximum disability benefit of sixty percent of average compensation. The agency shall certify that the disability was sustained while the member was performing official duties while on active status and the disability must be certified by a physician on the State Medical Disability Board. Any such officer whose first employment making him eligible for membership in one of the state systems occurred on or after January 1, 2011, shall be subject to provisions of R.S. 11:617.
 - (3)
 - (a) For any person whose employment first making him eligible for membership in the system occurred on or before June 30, 2006, or who has attained the age of sixty regardless of hire date, or anyone who receives an additional benefit pursuant to R.S. 11:444(A)(2)(b) or (c) or 557 or R.S. 24:36 whose first employment making him eligible for membership in one of the state systems occurred on or before December 31, 2010, the disability retiree may retire under any regular retirement plan which applies to him.
 - (b) Any person who has not attained the age of sixty and whose employment first making him eligible for membership in the system occurred on or after July 1, 2006, and on or before June 30, 2015, shall receive a disability benefit equal to two and one-half percent of average compensation for every year of creditable service. When the disability retiree attains the age of sixty, he shall receive his regular retirement benefit upon making application therefor to the board. The provisions of this Subparagraph shall not apply to any person who receives an additional benefit pursuant to R.S. 11:444(A)(2)(b) or (c) or 557 or R.S. 24:36 whose first employment making him eligible for membership in one of the state systems occurred on or before December 31, 2010.

§463. Certification of continuing eligibility for disability benefits; paid by LASERS

- (c) Any person who has not attained the age of sixty-two and whose first employment making him eligible for membership in one of the state systems occurred on or after July 1, 2015, shall receive a disability benefit equal to two and one-half percent of average compensation for every year of creditable service. When the disability retiree attains the age of sixty-two, he shall receive his regular retirement benefit upon making application therefor to the board.
- (4) Selection of retirement option shall be made when application is filed. Upon the death of a disability retiree, his benefit shall be payable in accordance with the option selected at the time of application for disability retirement. Accumulated annual leave for which payment cannot be made upon retirement and unused sick leave accumulated upon retirement shall be credited to the extension of service in the computation of disability retirement benefits.

Acts 1972, No. 135, §1, eff. July 26, 1972. Amended by Acts 1978, No. 727, §7, eff. Jan. 1, 1979; Redesignated from R.S. 42:581 by Acts 1991, No. 74, §3, eff. June 25, 1991; Acts 1995, No. 864, §1, eff. July 1, 1995; Acts 2001, No. 679, §1, eff. June 25, 2001; Acts 2005, No. 75, §1, eff. July 1, 2005; Acts 2006, No. 835, §1, eff. July 1, 2006; Acts 2007, No. 353, §1, eff. June 30, 2007; Acts 2008, No. 262, §1, eff. June 17, 2008; Acts 2010, No. 992, §1, eff. Jan. 1, 2011; Acts 2014, No. 226, §1, eff. June 30, 2014.

NOTE: See Acts 2004, No. 7, §6, providing that the Act shall not affect or change any law relative to retirement or retirement or survivor benefits of employees of the Dept. of Public Safety and Corrections.

§462. Repealed by Acts 2001, No. 678, §2, eff. June 25, 2001

§463. Certification of continuing eligibility for disability benefits; paid by the Louisiana State Employees' Retirement System

- A. Notwithstanding the provisions of R.S. 11:220(A), whenever the board of trustees requires any disability retiree who has not yet attained the equivalent age of regular retirement to undergo a medical examination to determine continued eligibility to receive a disability retirement benefit, the cost of such examination shall be paid by the Louisiana State Employees' Retirement System.
- B. A contested decision as to continued eligibility for disability benefits as a result of the required examination shall be appealed in accordance with R.S. 11:218. Any further medical examinations shall be at the expense of the party as set forth in R.S. 11:218.

Added by Acts 1999, No. 19, §1, eff. May 21, 1999.

§471. Survivors' benefits; members hired on or before December 31, 2010

Subpart C. Survivors' Benefits

§471. Survivors' benefits; members hired on or before December 31, 2010

- A. Surviving minor children. Benefits for the surviving children of members whose first employment making them eligible for membership in one of the state systems occurred on or before December 31, 2010, shall be calculated as set forth in this Section. The benefit or benefits shall be based on the average compensation of the member. A benefit shall be payable to surviving unmarried minor children of a member who had at least five years of creditable service, at least two years of which was earned immediately prior to death, and was in state service at the time of death or had twenty years or more of service credit regardless of when earned and whether the deceased member was in the state service at the time of death.
- B. Surviving handicapped children.
- (1) The surviving totally physically handicapped or mentally disabled child or children of a deceased member, whether under or over the age of eighteen years, shall be entitled to the same benefits, payable in the same manner, as are provided by this Section for minor children, if the child was totally physically handicapped or mentally disabled at the time of the death of the member and is dependent upon the surviving spouse or other legal guardian.
 - (2) The applicant shall provide adequate proof of handicap or mental disability of such surviving child or children and shall notify the board of any subsequent changes in the child's condition to such an extent that the child is no longer dependent upon the surviving spouse or legal guardian and any changes in the assistance being received from other state agencies. The board may require a certified statement of the child's eligibility status at the end of each calendar year.
- C. Surviving spouse. A benefit shall be payable to the surviving spouse of a member who had at least ten years of creditable service, at least two years of which was earned immediately prior to death, and was in state service at the time of death or had twenty years or more of service credit regardless of when earned and whether the deceased member was in the state service at the time of death. The surviving spouse must have been married to the deceased member for at least one year prior to the death of the member. The benefit shall be based on the average compensation of the member as set forth in Subsection D of this Section.
- D. Benefit. Surviving spouses, minor children, handicapped children, and mentally disabled children who qualify under this Section shall be eligible for benefits as follows:
- (1) A minor or handicapped child, or mentally disabled child, when there is no surviving spouse, shall receive the greater of seventy-five percent of the deceased member's average compensation or three hundred dollars.
 - (2) A surviving spouse, with no surviving minor or handicapped child, or mentally disabled child, shall receive the greater of fifty percent of the deceased member's average compensation or two hundred dollars.

§471.1. Survivors' benefits; members hired on or after January 1, 2011

- (3) A surviving spouse who has custody of a minor or handicapped child, or mentally disabled child shall receive the greater of twenty-five percent of the deceased member's average compensation or one hundred dollars, and the surviving minor or handicapped child shall receive the greater of fifty percent of the deceased member's average compensation or two hundred dollars.
- (4) A surviving minor or handicapped child or mentally disabled child not in the custody of a surviving spouse shall receive the greater of fifty percent of the deceased member's average compensation or three hundred dollars, and the surviving spouse shall receive the greater of twenty-five percent of the deceased member's average compensation or one hundred dollars.

E. Limitations and application.

- (1) In the event the deceased member is survived by more than one minor child, handicapped child, or mentally disabled child, such children shall share equally in the benefit.
- (2) In no event shall the survivors of a member receive benefits which, in total, exceed seventy-five percent of the deceased member's average monthly compensation.
- (3) Qualifying survivor's benefits are payable upon application therefor and become effective as of the day following the death of the member.

Acts 1972, No. 135, §1, eff. July 26, 1972; Acts 1988, No. 132, §1, eff. June 29, 1988; Redesignated from R.S. 42:601 by Acts 1991, No. 74, §3, eff. June 25, 1991; Acts 1997, No. 1109, §1, eff. July 14, 1997; Acts 1999, No. 1330, §1, eff. July 12, 1999; Acts 2003, No. 195, §1, eff. June 5, 2003; Acts 2010, No. 992, §1, eff. Jan. 1, 2011.

§471.1. Survivors' benefits; members hired on or after January 1, 2011

- A.** Survivors benefits shall be due and payable by the system effective the first day of the next month following the death of a member whose first employment making him eligible for membership in one of the state systems occurred on or after January 1, 2011, but shall not be paid until a properly completed and acceptable application is received by the system and all proper certifications have been received by the system.
- B. (1)** A surviving spouse with a minor or handicapped child, or mentally disabled child, or children shall be paid per month, for so long as one or more children remain eligible for benefits under Subsection C of this Section, fifty percent of the benefit to which the member would have been entitled if he had retired on the date of his death using the member's applicable accrual rate regardless of years of service or age, or six hundred dollars per month, whichever is greater, provided the deceased member was an active member at the time of death and had five or more years of service credit, at least two years of which were earned immediately prior to death or provided the deceased member had twenty or more years of service credit regardless of when earned or whether the deceased member was in active service at the time of death.

§471.1. Survivors' benefits; members hired on or after January 1, 2011

- (2)
 - (a) Benefits shall cease upon remarriage, and the surviving spouse shall be liable to the system for repayment of any survivor benefits received subsequent to his remarriage. The surviving spouse shall notify the system in writing within thirty days of his remarriage. Failure to provide such notice shall constitute fraud for purposes of R.S. 11:543.
 - (b) Benefits shall resume upon a subsequent divorce from or death of a new spouse.
 - (c) Notwithstanding the provisions of Subparagraph (a) of this Paragraph, if the member was eligible to retire on the date of his death, benefits shall not cease upon remarriage.
 - (3) When all surviving children cease to be eligible for benefits under Subsection C of this Section, the surviving spouse shall cease to receive benefits provided by this Subsection and thereafter, if eligible, shall receive benefits in accordance with the provisions of Subsection D of this Section.
- C. (1) In addition to the amount payable in accordance with Subsection B of this Section, for the benefit of the surviving minor child, or children, there shall be paid for each such child, subject to a maximum of two children, per month fifty percent of the benefit to which a spouse would be entitled under Subsection B of this Section. Benefits shall be payable to such children even if no spouse is eligible for survivor benefits, provided the member had at least five years of service credit. Benefits for a child shall cease when the child is no longer a minor child as defined by this Chapter. No surviving minor child shall receive more than one survivor's benefit at any one time. If two benefits are applicable, only the larger shall be paid.
- (2)
 - (a) In addition to the amount payable in accordance with Subsection B of this Section, the surviving totally physically handicapped or mentally disabled child or children of a deceased member, whether under or over the age of eighteen years, shall be entitled to the same benefits, payable in the same manner, as are provided by this Section for minor children, if the child was totally physically handicapped or mentally disabled at the time of the death of the member and is dependent upon the surviving spouse or other legal guardian.
 - (b) The surviving spouse or legal guardian shall provide adequate proof of handicap or mental disability of such surviving child or children and shall notify the board of any subsequent changes in the child's condition which cause the child to no longer be dependent upon the surviving spouse or legal guardian and any changes in the assistance being received from other state agencies. The board may require a certified statement of the child's eligibility status at the end of each calendar year.

§471.1. Survivors' benefits; members hired on or after January 1, 2011

- D. (1) A surviving spouse without a minor or handicapped child, or mentally disabled child, or children shall be paid per month, for the remainder of his life, the Option 2-A equivalent of the benefit amount based on years of service that the member had earned to the date of his death using the applicable accrual rate, or six hundred dollars per month, whichever is greater, provided the surviving spouse had been married to the deceased member for at least one year prior to death, and provided the deceased member was an active member at the time of death and had ten or more years of service credit, at least two years of which were earned immediately prior to death or provided the deceased member had twenty or more years of service credit regardless of when earned or whether the deceased member was in active service at the time of death.
- (2) (a) Benefits shall cease upon remarriage, and the surviving spouse shall be liable to the system for repayment of any survivor benefits received subsequent to his remarriage. The surviving spouse shall notify the system in writing within thirty days of his remarriage. Failure to provide such notice shall constitute fraud for purposes of R.S. 11:543.
- (b) Benefits shall resume upon a subsequent divorce from or death of a new spouse.
- (c) Notwithstanding the provisions of Subparagraph (a) of this Paragraph, if the member was eligible to retire on the date of his death, benefits shall not cease upon remarriage.
- E. The accumulated contributions of a deceased member shall be paid in a lump sum refund to the natural person or persons that he designated as his beneficiary, or to his succession if there is no designated beneficiary, but only if no benefits under Subsection A, B, C, D, F, or G of this Section are payable. Payment of accumulated contributions shall be made only upon receipt of the deceased member's death certificate. Said payment to the named beneficiary or the estate cancels all liability of the system to the deceased member, his named beneficiary, or his estate.
- F. In the event of death of a member leaving a surviving spouse and dependent children, the total of the benefits payable under Subsections B and C of this Section shall not be less each month than the amount that would have been payable under Subsection D of this Section for as long as both spouse and children are eligible to receive benefits under Subsection B and C of this Section.
- G. If a member dies, even after retirement, eligible children shall receive the benefits under Subsection C of this Section.

H. The benefits payable under Subsection C of this Section shall be paid to the person having legal custody of the property of the child, except in those cases when a trust created under law has been created by the deceased member for the benefit of the child, the terms of the instrument creating the trust so provide and the system has been provided with a certified copy of the trust document, then the survivor benefit shall be paid to the trust for addition to the trust property. In the event that the trust is contested by any party, the system shall withhold all benefit payments or deposit them in the registry of the court if a concursus proceeding is filed, until there is a final binding legal agreement or judgment regarding the proper payment of benefits. If the trust terminates under the terms of the trust prior to the death of the child, then benefits shall be payable as otherwise provided under this Subsection. The trustee of the trust shall immediately notify the system in writing of the death of the child.

Added by Acts 2010, No. 992, §1, eff. January 1, 2011. Amended by Acts 2011, No. 368, §1, eff. July 1, 2011; Acts 2014, No. 852, §1, eff. June 30, 2014.

§472. Manner of payment

Benefits for a surviving spouse, a surviving handicapped child over the age of eighteen years, a surviving unmarried emancipated minor, and a surviving unmarried minor child who is a full-time student over the age of eighteen years but under the age of twenty-three years shall be paid directly to them. Benefits for surviving minor children shall be paid in the name of the child and to the care of the person who has legal custody of the child, or, in those instances where a trust has been established which includes this benefit as property of the trust, the benefit shall be paid to the trustee of that trust.

Acts 1972, No. 135, §1, eff. July 26, 1972; Redesignated from R.S. 42:602 by Acts 1991, No. 74, §3, eff. June 25, 1991; Acts 1997, No. 1109, §1, eff. July 14, 1997.

§473. Surviving spouse and adult children

A. When a married member has major children of both a current marriage and a prior marriage but no minor children of either marriage, the member and nonmember spouse may by written agreement jointly elect to direct the retirement system in writing to divide the benefit established in R.S. 11:471 between the member's current spouse, the children of the present marriage, and the children of the prior marriage, in any agreed proportions, provided the proportionate amounts are clearly set forth in the agreement. Either spouse may revoke the agreement by providing the system with a written revocation prior to the death of the member. The agreement shall be automatically revoked by operation of law in the event that the party spouses become divorced.

B. When a married member has major children of a prior marriage and no minor children of the present marriage, that member may unilaterally elect to direct the retirement system in writing to divide the benefit established in R.S. 11:471 between the member's current spouse and the children of the prior marriage on a pro rata basis, provided there is no pending joint election made pursuant to Subsection A of this Section. The interest of the current spouse shall be based on the ratio of the length of the current marriage to the total state service of the member.

§476. Payment to named beneficiary in lieu of survivor's benefits; effect

- C. The elections set forth in Subsections A and B of this Section may be made even if the member has minor children of the current or prior marriage at the time the election is made, but the election shall not become effective until there are no longer any children of either marriage who are eligible for benefits based on being a minor or a student. The retirement system shall distribute the benefits in accordance with the written election made pursuant to either Subsection A or B of this Section, provided the election is received by the system prior to the member's death.
- D. The benefit that is established pursuant to R.S. 11:471 and that is payable pursuant to this Section shall be based on the age and mortality of the surviving spouse and shall cease being paid upon the death of the surviving spouse.

Acts 1972, No. 135, §1, eff. July 26, 1972. Amended by Acts 1978, No. 67, §4; Acts 1988, No. 6, §1, eff. June 2, 1988; Redesignated from R.S. 42:603 by Acts 1991, No. 74, §3, eff. June 25, 1991; Acts 1997, No. 1109, §1, eff. July 14, 1997; Acts 2001, No. 405, §1, eff. June 15, 2001.

§474. Proof of entitlement to benefits

Each survivor benefit recipient shall be required to establish proof annually or at such other times as the board of trustees may deem necessary that they are still legally entitled to the survivor benefits provided in this Subpart. The board of trustees shall have the right to suspend or cancel any survivor benefit wherein the recipient fails to provide proper certification of eligibility.

Acts 1972, No. 135, §1, eff. July 26, 1972. Amended by Acts 1978, No. 67, §4; Acts 1987, No. 282, §1; Redesignated from R.S. 42:604 by Acts 1991, No. 74, §3, eff. June 25, 1991; Acts 1997, No. 1109, §1, eff. July 14, 1997.

§475. Survivor refund

The retirement system shall pay a lump sum refund equal to the difference between the total monthly survivor benefits paid and the total accumulated contributions of the member, to the beneficiaries or the estate of the beneficiaries if the total monthly benefits are not equal to the accumulated contributions of the member. This refund shall not be paid until all eligible monthly benefits have ceased.

Acts 1972, No. 135, §1, eff. July 26, 1972; Redesignated from R.S. 42:605 by Acts 1991, No. 74, §3, eff. June 25, 1991; Acts 1993, No. 31, §1; Acts 1997, No. 1109, §1, eff. July 14, 1997.

§476. Payment to named beneficiary in lieu of survivor's benefits; effect

- A. The accumulated contributions of a deceased member shall be paid in a lump sum refund to his named beneficiary or estate if no survivor's benefits are payable.
- B. Payment of accumulated contributions shall be made only upon receipt of the deceased member's death certificate. Said payment to the named beneficiary or the estate cancels all liability of the system to the deceased member, his named beneficiary, or his estate.

Acts 1972, No. 135, §1, eff. July 26, 1972. Amended by Acts 1976, No. 239, §1; Redesignated from R.S. 42:606 by Acts 1991, No. 74, §3, eff. June 25, 1991; Acts 1995, No. 587, §1; Acts 1997, No. 1109, §1, eff. July 14, 1997.

§477. Limitations on payment of benefits

§477. Limitations on payment of benefits

- A. The payment of benefits made under R.S. 11:446 or under this Subpart shall be subject to the limitations of this Section. The payment of benefits shall commence not later than April first of the year following the calendar year in which the later of the following occurs: the member retires, or the member reaches the age of seventy years and six months.
- B. (1) Unless the member has elected otherwise on or before December 31, 1983, the entire benefit of a member shall be distributed over a period not longer than the longest of the following periods:
- (a) The member's life.
 - (b) If the member is married, the life of the member's designated beneficiary.
 - (c) The member's life expectancy.
 - (d) The joint life and last survivor life expectancy of the member and his designated beneficiary.
- (2) If the member is married and his spouse survives him, the designated beneficiary for at least a qualified joint and survivor annuity and fifty percent of his Deferred Retirement Option Plan Account shall be his spouse, unless such spouse has consented to the contrary in writing before a notary public, or such spouse cannot be located and the member submits an original affidavit signed by him before a notary public and evidencing good faith efforts to locate the spouse. For purposes of this Paragraph, "spouse" means that person who is married to the member under a legal regime of community of acquets and gains on his effective date of retirement or effective date of participation in the Deferred Retirement Option Plan, whichever is earlier.
- C. (1) If the member dies before his benefit has commenced, the remainder of such interest shall be distributed to the member's beneficiary within five years after the date of such member's death.
- (2) Paragraph (1) of this Subsection shall not apply to any portion of a member's benefit which is payable to or for the benefit of a designated beneficiary, over the life of or over the life expectancy of such beneficiary, so long as such distributions begin not later than one year after the date of the member's death, or, in the case of the member's surviving spouse, the date the member would have attained the age of seventy years and six months. If the designated beneficiary is the member's surviving spouse and if the surviving spouse dies before the distribution of benefits commences, then Paragraph (1) of this Subsection shall be applied as if the surviving spouse were the member. If the designated beneficiary is a child of the member, for purposes of satisfying the requirement of Paragraph (1) of this Subsection, any amount paid to such child shall be treated as if paid to the member's surviving spouse if such amount would become payable to such surviving spouse (if alive)

§478. Benefits payable to certain members killed in the line of duty; survivor benefits;

upon the child's reaching age eighteen or, if later, upon the child's completing a designated event. For purposes of this Paragraph a designated event shall be the later of the date the child is no longer disabled or the date the child ceases to be a full-time student (or attains age twenty-three, if earlier).

- (3) Paragraph (1) of this Subsection shall not apply if the distribution of the member's interest has commenced and is for a term certain over a period permitted in Subsection B.
 - (4) Paragraph (1) of this Subsection shall not apply if the member has elected otherwise on or before December 31, 1983, (or such later date to which such election period shall be subject under Internal Revenue Code Sec. 401(a)).
- D. As to any benefit payable by the retirement system which is not optional as of December 31, 1983, the member shall be considered to have made the election referred to in Subsections B and C, if he were a member on or before such time.
- E. If by operation of the provisions of law or by action of the board of trustees, a survivor benefit is payable to a specified person or persons, the member shall be considered to have designated such person as an alternate beneficiary hereunder. If there is more than one such person, then the youngest such person shall be considered to have been so designated.
- F. This Section shall be effective for members of the system who complete any service under the system on or after July 1, 1987, with employers contributing to the system.

Acts 1972, No. 135, §1, eff. July 26, 1972; Redesignated from R.S. 42:607 by Acts 1991, No. 74, §3, eff. June 25, 1991; Acts 1997, No. 1109, §1, eff. July 14, 1997.

§478. Benefits payable to certain members killed in the line of duty; survivor benefits; corrections officers hired on or before December 31, 2010

- A. Notwithstanding any other provision of law to the contrary, if a correctional officer, probation or parole officer, or a security officer of the Louisiana Department of Public Safety and Corrections, whose first employment making him eligible for membership in one of the state systems occurred on or before December 31, 2010, is killed in the line of duty while serving in his official capacity, survivor benefits shall be payable to qualified survivors as provided for in accordance with this Section, except that a surviving spouse shall be eligible for benefits under this Section, without regard to the amount of time that the surviving spouse was married to the deceased officer and without regard to the amount of time that the deceased officer was a member of this system. This benefit is payable only if the member dies as a direct result of injuries sustained in the official performance of his official duties while on active duty status.
- B. When there is a surviving minor, handicapped, or mentally incapacitated child or children, the amount of the total benefit shall equal:

§479. Redesignated as R.S. 11:503 by the Louisiana State Law Institute

- (1) Seventy-five percent of the member's average compensation if the member had five or more years of service credit.
 - (2) Sixty percent of the member's average compensation if the member had less than five years of service credit.
- C. When there is a surviving spouse and no surviving child or children, the total benefit shall equal:
- (1) Seventy-five percent of the member's average compensation if the member had twenty-five or more years of service credit.
 - (2) Sixty percent of the member's average compensation if the member had less than twenty-five years of service credit.
- D. If there is a surviving spouse and a surviving child or children, one-third of the benefit shall be designated to the spouse and two-thirds shall be designated to the minor, handicapped, or mentally incapacitated child or children.
- E. The provisions of this Section shall be applied retroactively to July 1, 1996.

Acts 1972, No. 135, §1, eff. July 26, 1972; Redesignated from R.S. 42:608 by Acts 1991, No. 74, §3, eff. June 25, 1991; Acts 1997, No. 107, §1; Acts 2010, No. 992, §1, eff. Jan. 1, 2011.

NOTE: See Acts 2004, No. 7, §6, providing that the Act shall not affect or change any law relative to retirement or retirement or survivor benefits of employees of the Dept. of Public Safety and Corrections.

§479. Redesignated as R.S. 11:503 by the Louisiana State Law Institute

Note: R.S. 11:479, relating to payment by electronic funds under the Louisiana State Employees' Retirement System, was enacted by Acts 1999, No. 21, §1 and was redesignated as R.S. 11:503 of Subpart G, "Electronic Funds Transfer", pursuant to the statutory revision authority of the Louisiana State Law institute.

§§480 to 482. [Blank]

Subpart D. Cost-of-living Adjustment

§491. Repealed by Acts 1999, No. 402, §2, eff. July 1, 1999

Subpart E. Supplemental Benefits

§501. Supplemental benefits

- A. The board shall provide, commencing October 1, 1977 and thereafter, a supplementary monthly benefit of twenty-five dollars to each member who retired prior to July 1, 1973, and to each beneficiary of a deceased retired member who retired prior to July 1, 1973, under option 2, option 3, or option 4, and to any survivor of a member who died prior to July 1, 1973 and prior to retirement who is receiving survivor benefits in accordance with the provisions of this Chapter.

- B. Nothing in this Section shall be construed to affect in any manner any other benefits, including cost-of-living benefits, provided by this Chapter.

- C. Beginning January 1, 1978, and in each succeeding year thereafter, the board shall inform the legislature of the amount required to pay the supplementary benefits provided herein for the ensuing fiscal year. Funds appropriated therefor shall be paid to the system and placed in a supplementary benefits account, and the supplementary benefits paid as provided herein shall be charged only to this account.

Added by Acts 1977, No. 637, §1; Redesignated from R.S. 42:625 by Acts 1991, No. 74, §3, eff. June 25, 1991.

§502. Creation of optional retirement plan

Subpart F. Optional Retirement Plan

§502. Creation of optional retirement plan

- A. There is created an optional retirement plan for certain state employees who would otherwise be eligible to become members of the Louisiana State Employees' Retirement System. Those eligible employees who select this optional benefit shall not be considered eligible for any benefits provided by the defined benefit plan and cannot maintain any service credit in the defined benefit plan once this option is elected.
- B. (1) Notwithstanding Subsection A of this Section, anyone who elected to participate in the optional retirement plan in lieu of the defined benefit plan before December 31, 2007, may regain membership in the defined benefit plan by complying with the provisions of this Subsection.
- (2) (a) Any optional retirement plan member electing to return to the defined benefit plan in accordance with the provisions of this Subsection shall transfer all credit in the optional retirement plan to the defined benefit plan and shall not have credit in both systems.
- (b) All monies contributed to the optional retirement plan by or on behalf of the member together with any earnings attributable thereto shall be transferred to the defined benefit plan and applied to the payments required by this Subsection. Any deficiency in the amounts due shall be paid by the member, and no service shall be credited to the member until the system has received the total amount due.
- (3) If the member transferred any monies from the defined benefit plan into the optional retirement plan in accordance with R.S. 11:502.2, he may reestablish that credit in the defined benefit plan by complying with the provisions of R.S. 11:537(D), except that the repayment may be made at any time before retirement or entry into the Deferred Retirement Option Plan.
- (4) The member shall receive credit for service for the time he participated in the optional retirement plan by paying to the system an amount, calculated in accordance with the provisions of R.S. 11:158, sufficient to totally offset any increase in liability of the system caused by the member receiving such credit.

Added by Acts 1999, No. 1320, §1, eff. July 12, 1999. Amended by Acts 2001, No. 454, §1, eff. July 1, 2001; Acts 2004, No. 923, §1, eff. July 1, 2004; Acts 2012, No. 718, §1, eff. August 31, 2012.

NOTE: See Acts 1999, No. 1320, §2(B), relative to termination of the optional retirement plan. Also see Acts 2001, No. 454, §2 which amends these provisions.

NOTE: Also see Acts, 2001, No. 454, §3 (an exception to Acts 1999, No. 1320, §2(B)) relative to enrollment of Executive Career Service members in the Optimal Retirement Plan.

§502.1. Selection of providers

The Board of Trustees of the Louisiana State Employees' Retirement System shall select no more than three providers with which participants will be authorized to place their contributions in products that shall be selected by the board. In selecting the providers, the board shall consider, among other things, the following:

- (1) The tax status of the product.
- (2) The portability of the products offered by the providers.
- (3) The types of products offered by the providers.
- (4) The relation of the costs and benefits as relates to the amount of the contributions to be made pursuant to the provisions of this Subpart.
- (5) The ability of the designated provider or providers to provide the rights and benefits under the products.

Added by Acts 1999, No. 1320, §1, eff. July 12, 1999.

NOTE: See Acts 1999, No. 1320, §2(B), relative to termination of the optimal retirement plan

§502.2. Eligibility; irrevocable election

- A. (1) The following state employees shall be eligible to make an irrevocable election to participate in this optional retirement plan:
- (a) (i) Any unclassified state employee who is appointed by a statewide elected official and whose appointment is subject to confirmation by the Louisiana Senate.
 - (ii) Any unclassified state employee who is a member of the immediate staff of any such employee described in Item (i) of this Subparagraph.
 - (b) The chief executive officer of the State Group Benefits Program.
 - (c) Any member of the Executive Career Service established by the State Civil Service Commission.
- (2) (a) Such election shall be made in writing and filed with the Louisiana State Employees' Retirement System within sixty days after such appointment.
- (b) Any employee who either enrolled in or transferred into the optional retirement plan effective on or before June 30, 2004, who does not elect to regain membership in the defined benefit plan pursuant to R.S. 11:502(B) shall continue participation therein in accordance with the provisions of law applicable thereto.

(3) Elections shall be effective as of the date of appointment. If an eligible employee fails to make the election timely, he shall become a member of the retirement system's defined benefit plan as of the date of appointment.

B. (1) (a) Except as provided in Subparagraphs (b) and (c) of this Paragraph, any participating member of the defined benefit plan who would otherwise be eligible to participate in the optional retirement plan under the provisions of Subsection A of this Section and who was appointed to the position which makes him eligible for participation in the optional retirement plan after December 7, 2003, may irrevocably elect to participate in this optional retirement plan under the provisions of this Subpart, but any such election shall be filed in writing with the Louisiana State Employees' Retirement System on or before August 31, 2004, or the member shall remain in the defined benefit plan.

(b) Any member of the Executive Career Service established by the State Civil Service Commission who is a participating member of the defined benefit plan shall have sixty days following the effective date of such member's appointment to the Executive Career Service to make and file the election set forth in Subparagraph (a) of this Paragraph.

(c) Notwithstanding the provisions of Subparagraph (a) of this Paragraph, any unclassified state employee who meets the criterion established in Subparagraph (A)(1)(a) of this Section may irrevocably elect to participate in this optional retirement plan if such employee files his election to participate in the optional retirement plan with the system in writing not later than the sixtieth day following the effective date of his appointment to the position which makes him eligible for participation in the optional retirement plan.; Notwithstanding any provision of law to the contrary, no employee who is appointed after December 7, 2007, to a position which would otherwise make him eligible to participate in the optional retirement plan pursuant to this Subparagraph shall be permitted to enroll in the optional retirement plan.

(2) If, pursuant to this Subsection, an election is made by a current member of the defined benefit plan to participate in the optional retirement plan, then the employee contributions that were made on behalf of such member in the defined benefit plan shall be transferred to the participant's optional retirement plan.

(3) Any otherwise eligible employee who has service credit in the defined benefit plan shall be ineligible to participate in the optional retirement plan, unless such employee transfers all such credit from the defined benefit plan to this optional retirement plan in accordance with this Subsection.

– Revised Statutes –
§502.3. Contributions

Added by Acts 1999, No. 1320, §1, eff. July 12, 1999. Amended by Acts 2001, No. 454, §1, eff. July 1, 2001; Acts 2002, 1st Ex.Sess., No. 136, §1, eff. May 1, 2002; Acts 2004, No. 923, §1, eff. July 1, 2004.

NOTE: See Acts 1999, No. 1320, §2(B), relative to termination of the optional retirement plan. Also see Acts 2001, No. 454, §2 which amends these provisions.

NOTE: Also see Acts 2001, No. 454, §3 (an exception to Acts 1999, No. 1320, §2(B)) relative to enrollment of Executive Career Service members in the Optimal Retirement Plan.

NOTE: Acts 2002, 1st Ex. Sess., No. 136, §2, repeals Acts 1999, No. 1320, §2(B), as amended by Acts 2001, No. 454

§502.3. Contributions

- A. (1) (a) Each participant in this optional retirement plan shall contribute monthly the same amount that would have been contributed to the defined benefit plan, as if the participant were a member of that plan.
- (b) The entirety of each participant's contribution, less any monthly fee established by the Board of Trustees for the Louisiana State Employees' Retirement System to cover the cost of administration and maintenance of the optional retirement plan, shall be remitted to the applicable designated provider or providers for application to the participant's account or accounts.
- (2) Participant's contributions may be made by employer pick-up in accordance with the provisions of Section 414(h)(2) of the United States Internal Revenue Code or any amendment thereto.
- B. (1) Each employer agency, institution, or board shall contribute to the Louisiana State Employees' Retirement System on behalf of each participant in this optional retirement plan the same amount that would have been contributed to the defined benefit plan.
- (2) (a) Upon receipt of this contribution, the Louisiana State Employees' Retirement System shall promptly pay over to the appropriate designated provider or providers an amount equal to the employer's portion of the normal cost contribution as set forth in the actuarial valuation of the retirement system which is approved annually by the Public Retirement Systems' Actuarial Committee. That amount shall be credited to the participant's account or accounts, subject to any other applicable provisions of this Section.
- (b) Notwithstanding the provisions of Subparagraph (a) of this Paragraph, the Louisiana State Employees' Retirement System shall retain and apply to the unfunded accrued liability the amount if any, of the employer contributions paid on behalf of any optional retirement plan participant which exceeds the employer's portion of the normal cost contribution.

- (3) (a) In addition to the amount retained pursuant to Paragraph (2) of this Subsection, an additional contribution shall be retained by the system, subject to the following procedures. The annual actuarial valuation presented to the Public Retirement Systems' Actuarial Committee pursuant to R.S. 11:127(C) shall identify any adverse actuarial impact occurring on and after July 1, 2000, as the result of participation of the employees set forth in this Subpart. Then, the system actuary shall identify and recommend the additional amount of the employer's portion of the normal cost contributions made on behalf of optional retirement plan participants that is necessary to be retained to offset such adverse actuarial impact, if any.
- (b) Any additional amount of the employer's portion of the normal cost contributions recommended to be retained pursuant to Subparagraph (a) of this Paragraph, shall be retained from such employer contributions that are made in the then current plan year. That amount shall be increased or decreased annually thereafter according to the same procedures in the amount needed to offset such adverse actuarial impact to the system, if any.
- (4) The process of retaining contributions, as identified in Paragraphs (2) and (3) of this Subsection shall continue until the unfunded accrued liability of the retirement system is fully amortized.
- C. Notwithstanding the provisions of Subsections A and B of this Section, the Louisiana State Employees' Retirement System shall not remit any funds or contributions to any provider or providers from an employer agency, institution, or board until the correct and total amount to be remitted to the Louisiana State Employees' Retirement System under Subsections A and B of this Section is received each month from the employer agency, institution, or board.
- D. Under no circumstances shall the contributions made pursuant to this Section exceed the limitation on contributions as set by Section 415(c) of the Internal Revenue Code or any amendment thereto.

Added by Acts 1999, No. 1320, §1, eff. July 12, 1999. Amended by Acts 2010, No. 102, §1, eff. July 1, 2010.

NOTE: See Acts 1999, No. 1320, §2(B), relative to termination of the optimal retirement plan.

§502.4. Limitations; unclassified employees

§502.4. Limitations; unclassified employees

Any eligible employee who elects to participate in this optional retirement plan shall always be ineligible for membership in the defined benefit plan, even if he is employed in a position covered by the defined benefit plan and shall only be entitled to those benefits set out in this Subpart. If any such optional retirement plan participant assumes a new position covered by the retirement plan, then he shall continue to participate in the optional retirement plan, notwithstanding the provisions of R.S. 11:417. If any such optional retirement plan participant assumes a new position in state service not covered by the defined benefit plan, he must at that time begin membership in the retirement system which provides benefits for that position in state service.

Added by Acts 1999, No. 1320, §1, eff. July 12, 1999. Amended by Acts 2001, No. 454, §1, eff. July 1, 2001.

NOTE: See Acts 1999, No. 1320, §2(B), relative to termination of the optimal retirement plan. Also see Acts 2001, No. 454, §2 which amends these provisions.

NOTE: Also see Acts, 2001, No. 454, §3 (an exception to Acts 1999, No. 1320, §2(B)) relative to enrollment of Executive Career Service members in the Optimal Retirement Plan.

§502.5. Benefits not obligation of the state; unclassified employees

A. Any eligible employee who elects to participate in this optional retirement plan shall agree that the benefits payable to participants are not the obligations of the state of Louisiana or the Louisiana State Employees' Retirement System and that such benefits and other rights of the optional retirement plan are the sole liability and responsibility of the designated provider or providers to which contributions have been made. Furthermore, each such participant shall in accordance with this agreement expressly waive his or her rights set forth in Article X, Section 29(A) and (B) of the Louisiana Constitution.

- B. (1) Benefits shall be payable to such optional retirement plan participants or their beneficiaries by the designated provider or providers and not by the Louisiana State Employees' Retirement System, in accordance with the contract types provided by the providers selected and the contracts approved for use in the optional retirement plan by the board.
- (2) Additionally, the board may approve direct transfers by and between providers.
- (3) Participants in the optional retirement plan shall not be entitled to any benefits to which members in the defined benefit plan are entitled, including but not limited to disability benefits, survivor benefits, participation in the Deferred Retirement Option Plan, and any cost of living adjustments granted to retirees of the defined benefit plan.

- (4) Participants in the optional retirement plan shall specifically acknowledge and do hereby waive any of the benefits that accrue to members in the defined benefit plan.
- C. Any such optional retirement plan participant receiving retirement benefits under Subsection B of this Section shall be eligible to participate in the Office of Group Benefits programs in accordance with its laws and regulations.
- D. By participating in the optional retirement plan, the participant and the provider shall be responsible for complying with all applicable provisions of the Internal Revenue Code, and if any violation of that Code occurs as a result of the participant's participation in the optional retirement plan, it will be the responsibility and liability of the participant and the provider and not the Louisiana State Employees' Retirement System.
- E. There shall be no liability on the part of and no cause of action of any nature shall arise against the Louisiana State Employees' Retirement System, or its agents or employees, for any action taken in the performance of the duties under this Subsection.

Added by Acts 1999, No. 1320, §1, eff. July 12, 1999. Amended by Acts 2001, No. 1178, §1, eff. June 29, 2001.

NOTE: See Acts 1999, No. 1320, §2(B), relative to termination of the optimal retirement plan

§502.6. Implementation

The Board of Trustees of the Louisiana State Employees' Retirement System shall implement the optional retirement plan no later than July 1, 2000, and the employer agencies, institutions, and boards shall implement the optional retirement plan on July 1, 2000.

Added by Acts 1999, No. 1320, §1, eff. July 12, 1999.

NOTE: See Acts 1999, No. 1320, §2(B), relative to termination of the optimal retirement plan.

Subpart G. Electronic Funds Transfer

§503. Payment by electronic funds transfer

- A. Subject to the provisions of Subsection B of this Section and notwithstanding any other provision of law to the contrary, any benefit payable under this Part by the Louisiana State Employees' Retirement System, for which a member or beneficiary becomes eligible on or after January 1, 2000, shall be paid through an electronic funds transfer.
- B. Any person may seek an exception to this payment method if he or she, or the legal guardian of the recipient, certifies in writing to the board of trustees that he or she does not have an account with a financial institution, or that payment by electronic funds transfer would impose a hardship due to a physical disability or geographic barrier, or would impose a financial hardship. The board of trustees may grant other waivers to the electronic funds transfer requirement in accordance with rules and regulations adopted in accordance with the Administrative Procedure Act.

Added by Acts 1999, No. 21, §1, eff. May 21, 1999.

Part V. Board of Trustees

§511. Composition of board of trustees

The board of trustees shall consist of the following members:

- (1) A member of the House Committee on Retirement appointed by the speaker of the House of Representatives, or the member's designee.
- (2) The chairman of the Retirement Committee of the Senate, ex officio, or his designee.
- (3) The treasurer of the state of Louisiana, ex officio, or his designee. Notwithstanding the provisions of R.S. 49:307.1, the treasurer may name any person as his designee to this board.
- (4) The commissioner of administration, ex officio, or his designee.
- (5) Six trustees who shall be active employees and members of the system with at least ten years of creditable service and who shall be elected by the members of the system for a term of four years to succeed members whose terms expire under rules and regulations adopted by the board to govern the elections. However, those trustees whose terms begin on or after January 1, 1998, shall be eligible to serve only three consecutive four-year terms, to include any term served as an active or retired member. Upon the completion of the third consecutive four-year term, the trustee shall be ineligible for a fourth consecutive term of office. An active member who retires while serving on the board shall be allowed to remain on the board for the remainder of the term for which elected. The director, assistant directors, chief investment officer, and other employees of the staff of the system shall be ineligible for membership on the board, and no member of the board elected under this Section shall be eligible for one of these positions for a period of two years after the termination of their service on the board. No department in the executive branch of state government, as more particularly described in Title 36 of the Louisiana Revised Statutes of 1950, as amended and revised, may have more than two trustees serving on the board at the same time. The candidate or candidates who have received the highest and next highest vote tallies, and who do not violate the prohibition against more than two trustees serving from the same department, shall be declared the elected trustee or trustees.
- (6) Three trustees who are retired members of the system and who shall represent the retired members of the system. The retired trustees shall be elected by the retired members of the system for a term of four years. However, those trustees whose terms begin on or after January 1, 1998, shall be eligible to serve only three consecutive four-year terms, to include any term served as an active or retired member. Upon the completion of the third consecutive

four-year term, the trustee shall be ineligible for a fourth consecutive term of office. The election shall be held in accordance with the rules adopted by the board to govern the elections of trustees. Vacancies shall be filled in accordance with R.S. 11:512.

Acts 1991, No. 74, § 3, eff. June 25, 1991. Amended by Acts 1995, No. 556, § 1; Acts 1997, No. 6, § 1, eff. May 9, 1997; Acts 1997, No. 25, § 1, eff. July 1, 1997; Acts 1999, No. 737, § 1, eff. Jan. 1, 2001; Acts 2012, No. 113, § 1, eff. June 30, 2012; Acts 2016, No. 621, §1, eff. June 17, 2016.

§512. Vacancies

Any vacancy on the board of trustees shall be filled by the board of trustees for the unexpired term of office, provided that if the unexpired term is for a period of more than two years, the appointment shall be for the period intervening until January first following the next regular election, at which election a member shall be elected to fill the unexpired portion of the term in accordance with the provisions of this Part. The above does not apply to the trustee who is a retired member of the system, as his successor would be appointed by the executive board of the retired state employees association.

Acts 1972, No. 135, §1, eff. July 26, 1972. Amended by Acts 1974, No. 224, §1; Redesignated from R.S. 42:643 by Acts 1991, No. 74, §3, eff. June 25, 1991.

§513. Officers; meetings; quorum; minutes; reports; compensation

- A. At its first meeting held in January of each year the board shall elect one of its members chairman to serve until a new chairman is elected. In the event of a vacancy in the office of the chairman, the board shall elect a new chairman to serve until the first meeting in the following January. If the chairman is not present at a meeting, the board shall designate an acting chairman to preside at that meeting.
- B. Regular meetings of the board shall be held monthly at the time and place determined by the Board, provided that with notice to each member, the chairman or a majority of the board may call special meetings or cancel regular meetings. Meetings of the board shall be conducted in accordance with Roberts Rules of Order unless the board prescribes a different procedure. All meetings and hearings of the board are open to the public.
- C. A majority of the members of the board shall constitute a quorum for the transaction of business, and four votes shall be necessary for a decision.
- D. The director shall act as secretary of the board and shall keep records and minutes of its business and official actions. The minutes of the proceedings of the board shall be prepared and maintained by the director on behalf of and subject to the approval of the board.
- E. The board shall have the accounts of the system audited annually by the legislative auditor and shall publish as of the end of each fiscal year a report showing the

fiscal transactions of the system for the preceding fiscal year, the amount of the accumulated cash and securities of the system, a statement of income and expenditures and a balance sheet showing the financial condition of the system by means of an actuarial valuation of its assets and liabilities. It shall also publish a synopsis of the report.

- F. (1) The members of the board shall receive for attendance at meetings of the board a per diem of seventy-five dollars per day plus the normal expense allowance allowed state employees by the Division of Administration, if funds are available for this purpose. The board shall receive per diem for each meeting required by law. There shall be no such per diem payment for those meetings above and beyond the number required by law.
- (2) The chairman of the Retirement Committee of the House of Representatives and the chairman of the Retirement Committee of the Senate of the Louisiana Legislature, or their designees if members of the legislature, shall receive for attendance at meetings of the board the same per diem and expenses as they receive for attendance at legislative committee meetings, and from the same source.

Acts 1972, No. 135, §1, eff. July 26, 1972; Acts 1983, No. 23, §1; Redesignated from R.S. 42:644 by Acts 1991, No. 74, §3, eff. June 25, 1991; Acts 2003, No. 198, §1, eff. June 5, 2003.

§514. Domicile

The official domicile of the board of trustees shall be at the state capitol in Baton Rouge.

Acts 1972, No. 135, §1, eff. July 26, 1972; Redesignated from R.S. 42:645 by Acts 1991, No. 74, §3, eff. June 25, 1991.

§515. Powers and duties

The board of trustees shall have the following powers and duties:

- (1) To appoint the director, assistant directors, and chief investment officer, to fix their salaries, and to designate the powers and duties of these officials.
- (2) To make, alter, amend and promulgate rules and otherwise provide for the establishment and maintenance of the system, which by terms of the law are under the jurisdiction of the board as authorized by the retirement law.
- (3) To prepare and submit to the Joint Legislative Committee on the Budget and the state budget officer with recommendations, a budget covering the estimated costs of administering the system for each succeeding fiscal year. This annual budget shall be subject to approval by the Joint Legislative Committee on the Budget.
- (4) To hear appeals from members who claim their rights under the laws and/or the rules of the system have been violated, and to issue appropriate orders in such cases.

§516. Joint administration with other systems

- (5) To appoint an actuary and adopt mortality and service tables.
- (6) To designate a medical board composed of five physicians who are not members of the system to serve on the State Medical Disability Board, or as alternate physicians to the medical board, pursuant to R.S. 11:219.
- (7) To designate a depository for operating monies, which shall be fully guaranteed.
- (8) To designate a custodian of bonds and securities.
- (9) To make rules and regulations governing election of board members, not inconsistent with law.
- (10) To underwrite life insurance for employees of the state, with approval of the commissioner of administration, at any time that current coverage to members or retirees is either reduced or deleted, or cost of coverage is substantially increased.

Acts 1972, No. 135, §1, eff. July 26, 1972; Acts 1987, No. 200, §1, eff. July 1, 1987; Acts 1988, No. 83, §2; Redesignated from R.S. 42:646 by Acts 1991, No. 74, §3, eff. June 25, 1991; Acts 1993, No. 361, §1; Acts 2004, No. 802, §1, eff. July 8, 2004.

§516. Joint administration with other systems

The board of trustees may take such actions as it deems necessary or appropriate to provide for the joint administration of the retirement system and the Louisiana State Police Retirement System; however, no action shall be taken which would impair the integrity of the board of trustees of each of the systems or the integrity of funds and investments of each of the systems. The boards may, pursuant to the authority herein, appoint the same secretary-treasurer or secretary-manager, any other provision of law to the contrary notwithstanding. Funds appropriated for the administration of each system shall be used for such purpose and in the category of expenditures appropriated but otherwise may be transferred to accomplish the purposes of this Section without the necessity of additional approval by the legislature, the Legislative Budget Committee, or its successor, or the division of administration or its commissioner.

Added by Acts 1978, No. 743, §2; Redesignated from R.S. 42:646.1 by Acts 1991, No. 74, §3, eff. June 25, 1991; Amended by Acts 2012, No. 227, §1, eff. August 1, 2012.

§517. Investments

The board may invest available funds and may hold, purchase, sell, assign, transfer, and dispose of any of the securities of the system, in the name of the system or a nominee name, provided the action is taken in compliance with the rules and regulations established by the board and in accordance with the provisions of R.S. 11:263.

Acts 1984, No. 867, §2; Acts 1991, No. 863, §1; Redesignated from R.S. 42:647 by Acts 1991, No. 74, §3, eff. June 25, 1991.

§531. Monthly retirement report; employer and employee contributions

Part VI. Financing--Accounting

§531. Monthly retirement report; employer and employee contributions

- A. (1) Each agency employing members of the system shall submit a certified monthly retirement report to the board of trustees containing the following information:
- (a) The earned compensation of each employee who was paid during the period reported.
 - (b) The monthly base pay of the employee as of the date of the report.
 - (c) The individual employee contributions equal to the percentage of the earned compensation of the employee as established by R.S. 11:62(5) for the appropriate employee, which the employer shall cause to be deducted from the salary of each member on each and every payroll of the employee for each and every payroll period. This amount shall conform to Article X, Section 29(E)(2)(a) of the Constitution of Louisiana.
- (2) The total employer contributions as established by Subpart E of Part II of Chapter 2 of Subtitle I of this Title of the total earned compensation reported shall also be remitted for all employees covered herein.
- (3) Terminal leave payments shall not be subject to employee or employer contributions.
- B. (1) The monthly retirement report and the payments due representing employee and employer contributions shall be considered delinquent when not received in the office of the director within fifteen days after the close of each calendar month.
- (2) Delinquent payments may be recovered through the following actions. Upon a certification to the state treasurer by the director that an agency's monthly report and payment of contributions is delinquent, the state treasurer shall deduct the amount of the delinquent contributions from any monies then available for distribution to or for the benefit of that agency and shall transmit said amount directly to the board of trustees of the retirement system. Upon making such a deduction, the state treasurer shall immediately notify the agency that the deduction has been made and that the funds available for distribution to it are reduced accordingly. In a like manner, the director of the system, upon receipt of said funds, shall credit such funds to the proper account affected thereby and shall notify the agency thereof.

Acts 1972, No. 135, §1, eff. July 26, 1972. Amended by Acts 1973, No. 4, §1; Acts 1975, No. 373, §2; Acts 1975, No. 648, §1. Acts 1984, No. 469, §1; Acts 1988, No. 301, §2; Redesignated from R.S. 42:651 by Acts 1991, No. 74, §3, eff. June 25, 1991; Acts 2003, No. 197, §1, eff. June 5, 2003.

§532. Employees' Savings Account

A. The Employees' Savings Account shall be credited as follows:

1. Employee contributions.
2. Interest credited to employee contributions prior to July, 1970.

B. The Employees' Savings Account shall be charged as follows:

1. Refunds paid to terminated members.
2. Refunds paid to beneficiary or estate of deceased member where no monthly survivors' benefits are payable.
3. Members' accumulated contributions transferred upon retirement or payment of survivor's benefits.
4. Members' accumulated contributions transferred to another system upon transfer of service.

Acts 1972, No. 135, §1, eff. July 26, 1972; Acts 1989, No. 65, §1; Redesignated from R.S. 42:652 by Acts 1991, No. 74, §3, eff. June 25, 1991.

§533. Employers' Accumulation Account

A. The Employers' Accumulation Account shall be credited as follows:

1. Employer contributions.
2. Interest paid by the agency on purchase of state service, military service, and educational leave and training.
3. Interest paid by the member to purchase state service, military service, educational leave and training, and repayment of refunds.
4. Interest, dividends, profits, and other income derived from investment of the system's funds.
5. All transactions not covered by other accounts.

B. The Employers' Accumulation Account shall be charged as follows:

1. Amount determined by Actuary transferred at end of each fiscal year to Retiree's Annuity Reserve.
2. Amount required for payment of cost-of-living increases for retirees shall be transferred to Retiree's Annuity Reserve at the beginning of each fiscal year.

3. All transactions not covered by other accounts.
4. Employers' accumulated contributions transferred to another system upon transfer of employee service credit.

Acts 1972, No. 135, §1, eff. July 26, 1972; Acts 1989, No. 65, §1; Redesignated from R.S. 42:653 by Acts 1991, No. 74, §3, eff. June 25, 1991.

§534. Retiree's Annuity Reserve

A. The Retiree's Annuity Reserve shall be credited as follows:

1. The employees' accumulated contributions shall be credited immediately upon retirement or payment of survivor's benefits.
2. Amount determined by Actuary transferred at end of fiscal year from Employer's Savings Account.
3. Amount required for payment of cost-of-living increases for retirees transferred from Employers' Accumulation Account at the beginning of each fiscal year.

B. The Retiree's Annuity Reserve shall be charged as follows:

1. Retirements paid to retirees and beneficiaries.
2. Survivor's benefits paid to eligible survivors.
3. Refunds paid to survivors or the estates of members whereby monthly benefits do not equal total accumulated contributions.
4. Cost-of-living adjustments for retirees, beneficiaries and survivor's benefits recipients.
5. Reestablished service.

Amended by Acts 1970, No. 37, §1; Acts 1972, No. 135, §1, eff. July 26, 1972; Acts 1989, No. 65, §1; Redesignated from R.S. 42:654 by Acts 1991, No. 74, §3, eff. June 25, 1991

§535. Expense account

The expense account is the fund from which the expenses of the administration of the system shall be paid. The board shall determine annually the amount required to defray the expenses for the ensuing fiscal year. The amount required, as determined by the board, shall be paid into the expense account from the interest earnings of the system.

Acts 1972, No. 135, §1, eff. July 26, 1972. Amended by Acts 1976, No. 240, §1; Redesignated from R.S. 42:655 by Acts 1991, No. 74, §3, eff. June 25, 1991.

§536. Bank accounts

For the purpose of meeting disbursements for retirement allowances, annuities, and other payments there may be kept available cash, not exceeding the requirements of the system for a period of ninety days, on deposit in one or more banks or trust companies of the state organized under the laws of Louisiana or of the United States; however, the sum on deposit in any one bank or trust company shall never exceed twenty-five percent of the paid-up capital and surplus of the bank or trust company.

Acts 1972, No. 135, §1, eff. July 26, 1972; Redesignated from R.S. 42:656 by Acts 1991, No. 74, §3, eff. June 25, 1991.

§537. Refund of contributions; application, payment, effect, repayment to system; restoration of service

- A. Any member who withdraws from service under the provisions hereof may apply for and obtain a refund of the amount of his accumulated contributions credited to him in the employees' savings account. A refund shall not be paid unless an application form furnished by the system has been completed by the member, certified by the appointing authority or personnel officer of the agency, and filed with the system no earlier than the day after separation from state service, or with respect to a member who has an option of being in the system, as provided in Subsection B.
- B. Refunds of accumulated contributions will not be made until the requesting member has separated from all state service and has remained out of state service for a period of thirty calendar days and until all contributions for the member have been submitted by his agency, unless such member has the option of being a member of the system in which event he shall be allowed to withdraw from membership in the system and his contributions shall be refunded at least thirty calendar days after receipt by the system of written notice of withdrawal. Refunds of accumulated contributions may be made in less than thirty calendar days for emergencies as provided by the board of trustees if the member signs an agreement indemnifying the system against overpayments and holding the system harmless for underpayments due to receipt of accumulated contributions from the agency after the date of refund.
- C. Acceptance of a refund of accumulated contributions automatically cancels all rights in the system. In addition, a member forfeits all prior service and military service as well as membership service credits for the period refunded.
- D. A member may repay a refund to the system upon returning to state service and contributing to the system for eighteen months, whether full time or part time, provided such repayment is made prior to retirement. Repayment of a refund shall include the amount refunded plus interest thereon charged at the board-approved actuarial valuation rate compounded annually from the date of refund to the date of repayment. All repayments of refund shall be made in lump sum only.

- E. All creditable service forfeited upon refund shall be restored upon repayment of the refund plus interest. No service credit forfeited by reason of a refund to a member shall be restored upon repayment of a refund if the member receives the same service under a special provision of another law or if another law sets a limit on service credit that will be violated by the restoration.
- F. (1) Any member who receives a refund of contributions shall, at the member's option, be eligible to repay all or any part of such refund, without regard to the provision of Subsection D of this Section requiring lump sum repayments. Any member who elects to partially repay a refund shall be restored only that service credit which is commensurate with such repayment.
- (2) The system shall promulgate such rules and regulations as are necessary for the management of partial repayment of refunds, all in accordance with the Administrative Procedure Act.

Acts 1972, No. 135, §1, eff. July 26, 1972. Amended by Acts 1976, No. 239, §1; Acts 1983, No. 22, §1; Acts 1984, No. 804, §1, eff. Jan. 1, 1985; Acts 1986, No. 367, §3, eff. Jan. 1, 1987; Acts 1987, No. 731, §1, eff. July 1, 1987; Acts 1988, No. 657, §1, eff. July 15, 1988; Acts 1989, No. 213, §1; Acts 1991, No. 831, §1; Redesignated from R.S. 42:657 by Acts 1991, No. 74, §3, eff. June 25, 1991; Acts 1999, No. 256, §1, eff. June 11, 1999; Acts 2003, No. 196, §1, eff. June 5, 2003.

§538. Termination of contributions; benefits

The retirement benefits provided by this Part shall not exceed the limits provided in R.S. 11:444(B). When a member has earned benefits equal to one hundred percent of his average compensation, no further contributions shall be required of him. The State shall continue to pay to the system the employer's contribution.

Added by Acts 1976, No. 240, §2; Acts 1983, No. 674, §3; Redesignated from R.S. 42:658 by Acts 1991, No. 74, §3, eff. June 25, 1991.

§538.1. Rollover of distributions

- A. If the distributee of any eligible rollover distribution under this plan elects to have such distribution paid directly to an eligible retirement plan and specifies the eligible retirement plan to which such distributions are to be paid, such distribution shall be made in the form of a direct trustee-to-trustee transfer to the eligible retirement plan so specified.
- B. For the purposes of this Section, the term "eligible retirement plan" shall be given the same definition provided for in Section 401(a)(31)(E) of the Internal Revenue Code and the regulations thereunder.
- C. For the purposes of this Section, the term "eligible rollover distribution" shall be given the same definition provided for in Section 401(a)(31)(D) of the Internal Revenue Code and the regulations thereunder.

Added by Acts 2010, No. 102, §1, eff. July 1, 2010.

§538.2 Notice of rollover distributions

A. The Louisiana State Employees' Retirement System shall, within a reasonable period of time before making an eligible rollover distribution, provide a written explanation to the recipient of such distribution explaining the following:

- (1) The provisions under which the recipient may have the distribution directly transferred to an eligible retirement plan and that the automatic distribution by direct transfer applies to certain distributions in accordance with Section 401(a)(31)(B) of the Internal Revenue Code.
- (2) The provision which requires the withholding of tax on the distribution if it is not directly transferred to an eligible retirement plan.
- (3) The provisions under which the distribution will not be subject to tax if transferred to an eligible retirement plan within sixty days after the date on which the recipient received the distribution.
- (4) The provisions under which distributions from the eligible retirement plan receiving the distribution may be subject to restrictions and tax consequences which are different from those applicable to distributions from the plan making such distribution.

B. For the purposes of Subsection A of this Section, the term "reasonable period of time" shall have the meaning assigned to it under Section 401(a)(31) of the Internal Revenue Code and the regulations thereunder.

Added by Acts 2010, No. 102, §1, eff. July 1, 2010.

§539. Reversion of funds prohibited

- A. (1) At no time shall it be possible for the plan assets to be used for, or diverted to, any person other than for the exclusive benefit of the members and their beneficiaries, except that contributions made by the employer may be returned to the employer if the contribution was made due to a mistake of fact and the contribution is returned within six months of the mistaken payment of the contribution.
- (2) The amount of the contribution returned may not exceed the difference between the amount actually contributed and the amount which would have been contributed had there been no mistake of fact and may not include the earnings attributable to such contribution. The amount of the contributions returned must be reduced by any losses attributable to the contribution, and no participant may have his benefit payable hereunder reduced by the return of the contribution to less than such benefit would have been had the returned contribution never been made.

§541. Payment of contributions; delinquency; agreement to deductions

- B. Notwithstanding the above, if the system shall be terminated and all obligations under the system are fully funded and provided for, then any excess funds held by the system shall be returned to the employer.

Added by Acts 1983, No. 674, §3; Redesignated from R.S. 42:659 by Acts 1991, No. 74, §3, eff. June 25, 1991; Acts 2010, No. 102, §1, eff. July 1, 2010.

§540. Unclaimed funds, checks, and property; retention by system

- A. Any unclaimed employee contributions, other funds, checks, or any other property held by the Louisiana State Employees' Retirement System that could be claimed by a member or prior member, the member's beneficiary, heirs, or estate shall never be presumed abandoned and shall continuously be held by the retirement system in the proper account for the benefit of the member, prior member, the member's beneficiary, heirs, or estate, except as provided for in Subsection B of this Section.
- B. Any credit or debit to a member's account in the amount of twenty-five dollars or less which has remained unclaimed or unpaid for a period of three years or more, and which the retirement system has made reasonable efforts to collect or pay pursuant to rules adopted by the board of trustees, may be written off by the retirement system and any funds so held shall be credited to the Retiree's Annuity Reserve Account.
- C. Any funds credited to the Retiree's Annuity Reserve pursuant to Subsection B of this Section may be claimed by the member, prior member, the member's beneficiary, heirs, or estate upon presentation of proof of entitlement which is deemed sufficient by the board of trustees. Only the principal sum may be recovered and no interest or earnings will be paid on the principal sum.

Acts 1984, No. 804, §1, eff. Jan. 1, 1985; Redesignated from R.S. 42:660 by Acts 1991, No. 74, §3, eff. June 25, 1991; Acts 1992, No. 548, §1.

§541. Payment of contributions; delinquency; agreement to deductions

When any political subdivision or agency of the state is delinquent in its payments to the Louisiana State Employees' Retirement System, the system is hereby authorized to certify to the state treasurer that the political subdivision or agency is delinquent, and the amount of such delinquency, and the treasurer upon receipt of such certification is hereby authorized and directed to deduct such amount from any monies then available for distribution to or for the benefit of that political subdivision or agency and to transmit such amount directly to the system.

Acts 1991, No. 687, §1; Redesignated from R.S. 42:651.1 by Acts 1991, No. 74, §5, eff. June 25, 1991.

§542. Experience account

- A. (1) Effective July 1, 2004, the balance in the experience account shall be zero.
- (2) Effective June 30, 2009, the balance in the experience account shall be zero. Any funds in the experience account on June 29, 2009, shall be allocated in the following order:
- (a) To provide for any net investment loss attributable to the balance in the account as provided in Subparagraph (B)(3)(a) of this Section.
- (b) To fund any permanent benefit increase or minimum benefit pursuant to Act 144 of the 2009 Regular Session of the Legislature.
- (c) To apply to the experience account amortization base as provided in R.S. 11:102.1(C)(2); however, as of June 30, 2009, these funds shall be transferred to the system's Texaco Account and retained in a subaccount of that account until that account is applied as provided in R.S. 11:102.1. The subaccount shall continue to be credited and debited as provided in this Section until such application.
- B. (1) Effective for the June 30, 2015 valuation, the system's funded percentage for purposes of this Section shall be determined before any allocation to the experience account.
- (2) The experience account shall be credited as follows:
- (a) To the extent permitted by Subparagraph (c) of this Paragraph and after allocation to the amortization bases as provided in R.S. 11:102.1, an amount not to exceed fifty percent of the remaining balance of the prior year's net investment experience gain as determined by the system's actuary.
- (b) To the extent permitted by Subparagraph (c) of this Paragraph, an amount not to exceed that portion of the system's net investment income attributable to the balance in the experience account during the prior year.
- (c) In no event shall a credit be made to the account that would cause the balance in the experience account to exceed the reserve necessary to grant:

- (i) Two permanent benefit increases determined pursuant to Subsection D of this Section if the system is at least eighty percent funded.
 - (ii) One permanent benefit increase as determined pursuant to Subsection D of this Section if the system is less than eighty percent funded.
 - (d) If the system is less than eighty percent funded and the account has reserves in excess of the amounts provided for in Item (c)(ii) of this Paragraph, no amount shall be credited to the account.
- (3) The experience account shall be debited as follows:
- (a) An amount equal to that portion of the system's net investment loss attributable to the balance in the experience account during the prior year.
 - (b) An amount sufficient to fund a permanent benefit increase granted pursuant to the provisions of this Section.
 - (c) In no event shall the amount in the experience account fall below zero.
- C. In accordance with the provisions of this Section, the board of trustees may recommend to the president of the Senate and the speaker of the House of Representatives that the system be permitted to grant a permanent benefit increase to retirees, survivors, and beneficiaries whenever the conditions in this Section are satisfied. The board of trustees shall not grant a permanent benefit increase unless such permanent benefit increase has been approved by the legislature.
- D. (1) No increase shall be granted if one or more of the following apply:
- (a) The system is less than fifty-five percent funded.
 - (b) The system is at least fifty-five percent funded but less than eighty-five percent funded and the legislature granted a benefit increase in the preceding fiscal year.
 - (c) The system is less than eighty percent funded and the system fails to earn an actuarial rate of return which exceeds the board-approved actuarial valuation rate.

- (2) Any increase granted pursuant to the provisions of this Section shall begin on the July first following legislative approval, shall be payable annually, and shall equal the amount required pursuant to Subparagraph (a) or (b) of this Paragraph. If the balance in the experience account is not sufficient to fully fund that sum on an actuarial basis as determined by the system actuary in agreement with the legislative auditor's actuary, no increase shall be granted. The increase shall be an amount equal to the lesser of:
- (a) The increase in the consumer price index, U.S. city average for all urban consumers (CPI-U), as prepared by the U.S. Department of Labor, Bureau of Labor Statistics, for the twelve-month period ending on the system's valuation date if any.
 - (b)
 - (i) Three percent, if the system is at least eighty percent funded and the system earns an actuarial rate of return of at least eight and one-quarter percent interest on the investment of the system's assets.
 - (ii) Two and one-half percent if all of the following apply:
 - (aa) The system is at least seventy-five percent funded but less than eighty percent funded.
 - (bb) The system earns an actuarial rate of return of at least eight and one-quarter percent interest on the investment of the system's assets.
 - (cc) The legislature has not granted a benefit increase in the preceding fiscal year.
 - (iii) Two percent, if either of the following applies:
 - (aa) The system is at least sixty-five percent funded but less than seventy-five percent funded and the legislature has not granted a benefit increase in the preceding fiscal year.
 - (bb) The system is at least seventy-five percent funded and the system does not earn an actuarial rate of return of at least eight and one-quarter percent interest on the investment of the system's assets.

- (iv) One and one-half percent if the system is at least fifty-five percent funded but less than sixty-five percent funded and the legislature has not granted a benefit increase in the preceding fiscal year.

- (3) The percentage of each recipient's permanent benefit increase shall be based on the benefit being paid to the recipient on the effective date of the increase; however, any such permanent benefit increase granted on or before June 30, 2015, shall be limited to and shall be payable based only on an amount not to exceed seventy thousand dollars of the retiree's annual benefit. Additionally, any such permanent benefit increase granted on or after July 1, 2015, shall be limited to and shall be payable based only on an amount not to exceed sixty thousand dollars of the retiree's annual benefit. Effective for years after July 1, 1999, and on or before June 30, 2015, the seventy-thousand-dollar limit shall be increased each year in an amount equal to any increase in the CPI-U for the preceding year. Effective on or after July 1, 2015, the sixty-thousand-dollar limit shall be increased each year in an amount equal to any increase in the CPI-U for the twelve-month period ending on the system's valuation date.

- (4) (a) Notwithstanding any provision of this Section to the contrary, in a year in which the experience account balance is insufficient to fund the amount required pursuant to Paragraph (2) of this Subsection, the board may make the recommendation provided in Subsection C of this Section if all of the following conditions are satisfied:
 - (i) No benefit increase was granted in the preceding fiscal year.

 - (ii) The experience account balance established in the system valuation for the preceding fiscal year reached its maximum reserve permitted pursuant to Subparagraph (B)(2)(c) of this Section applicable to the system valuation for that valuation year.

 - (iii) The experience account balance established in the system valuation for the current fiscal year is insufficient to fund the increase permitted pursuant to Paragraph (2) of this Subsection applicable to the system valuation for the preceding fiscal year.

 - (iv) All of the insufficiency in the account is attributable to the following:
 - (aa) The growth of the cost of the increase, but only if that growth was produced solely by either or both of these events:

– Revised Statutes –
§542. Experience account

- (I) Changes in the pool of the eligible recipients.
 - (II) The growth in the benefit amount to which the increase applies due to the application of the CPI-U pursuant to the provisions of Paragraph (3) of this Subsection.
- (bb) The insufficiency of credits to the account, if any, to cover the growth in the cost of the increase.
- (b) The amount of the increase shall be equal to the amount that the balance in the experience account will fully fund rounded to the nearest lower one-tenth of one percent.
- (E) (1) (a) Except as provided in Subparagraph (c) of this Paragraph, in order to be eligible for any permanent benefit increase payable on or before June 30, 2009, there must be the funds available in the experience account to pay for such an increase, and a retiree:
- (i) Shall have received a benefit for at least one year.
 - (ii) Shall have attained at least age fifty-five.
- (b) Except as provided in Subparagraph (c) of this Paragraph, a nonretiree beneficiary shall be eligible for the permanent benefit increase payable on or before June 30, 2009:
- (i) If benefits had been paid to the retiree or the beneficiary, or both combined, for at least one year.
 - (ii) In no event before the retiree would have attained age fifty-five.
- (c) The provisions of Items (a)(ii) and (b)(ii) of this Paragraph shall not apply to any person who receives disability benefits from this system, or who receives benefits based on the death of a disability retiree of this system.
- (2) (a) Except as provided in Subparagraph (c) of this Paragraph, in order to be eligible for any permanent benefit increase payable on or after July 1, 2009, there shall be the funds available in the experience account to pay for such an increase, and a retiree:
- (i) Shall have received a benefit for at least one year.

– Revised Statutes –
§542. Experience account

- (ii) Shall have attained at least age sixty.

 - (b) Except as provided in Subparagraph (c) of this Paragraph, a nonretiree beneficiary shall be eligible for the permanent benefit increase payable on or after July 1, 2009:
 - (i) If benefits had been paid to the retiree or the beneficiary, or both combined, for at least one year.
 - (ii) In no event before the retiree would have attained age sixty.

 - (c) The provisions of Items (a)(ii) and (b)(ii) of this Paragraph shall not apply to any person who receives disability benefits from this system, or who receives benefits based on the death of a disability retiree of this system.
- (F) (1) The first normal permanent benefit increase shall be effective July 1, 1999.
- (2) The actuarial cost of implementing the provisions of Act 1162 of the 2001 Regular Session of the Legislature shall be paid by debiting the experience account which shall have the funds available in the experience account to pay for such an increase.
 - (3) Effective September 1, 2001, any retiree receiving a retirement benefit shall be entitled to receive, as a permanent benefit increase, a minimum retirement benefit amounting to not less than thirty dollars per month for each year of creditable service of the retiree or the maximum benefit earned in accordance with the applicable benefit formula selected by the retiree at the time of retirement, whichever is greater.
 - (a) For any retiree who selected or selects an early retirement, an initial benefit option, or a retirement option allowing the payment of benefits to a beneficiary, there shall be a comparison of both the minimum benefit provided for in this Paragraph and the maximum benefit and both such benefits shall be actuarially reduced based upon the option selected by the retiree and the current board-approved actuarial assumptions prior to the comparison and for the purpose of determining which of the two benefit amounts results in the greater amount and the greater amount shall be paid to the retiree.
 - (b) In order for the minimum benefit provided for in this Paragraph to be compared to the annuity being paid to a retiree's named beneficiary, the minimum benefit shall be reduced based on the option in effect and the current board-approved actuarial assumptions. After reducing the

§542.1. Supplemental cost-of-living increase for 2007; payment from experience account

minimum benefit provided for in this Subparagraph, the reduced minimum benefit shall be compared to the beneficiary's annuity, and the beneficiary shall be paid the greater of the beneficiary's reduced minimum benefit or the amount of the beneficiary's annuity being paid at the time of the comparison.

- (c) The minimum benefits provided for in this Paragraph shall apply to all retired members and beneficiaries receiving annuity payments or benefits on September 1, 2001, and to all members retiring on and after September 1, 2001, and to all beneficiaries receiving annuity payments on and after September 1, 2001, and all such payments shall be funded by debiting the experience account.

Added by Acts 1992, No. 572, §1. Amended by Acts 1999, No. 402, §1, eff. July 1, 1999; Acts 2001, No. 900, §1, eff. July 1, 2001; Acts 2001, No. 1016, §1, eff. June 30, 2001; Acts 2001, No. 1162, §1, eff. July 1, 2001; Acts 2004, No. 588, §1, eff. June 30, 2004; Acts 2009, No. 497 §1, eff. June 30, 2009; Acts 2014, No. 399, §1, eff. June 30, 2014; Acts 2016, No. 95, §§ 1 and 2, eff. June 30, 2016.

NOTE: See Acts 2001, No. 900, §2 relative to accountability for implementation of the Act and reports thereof.

NOTE: See Acts 2004, No. 588, §2, relative to balances in the employee experience account of the La. State Employees' Retirement System on June 30, 2004.

NOTE: See Acts 2009, No. 497, §2, eff. June 30, 2009, relative to conflicts with previous Acts and §4 relative to affect on contribution rates.

[Editor's Note: The provisions of Act 483 of the 2012 Regular Legislative Session were enacted in violation of Article X, § 29(F) of the Louisiana Constitution. Those provisions have been intentionally omitted for clarity.]

§542.1. Supplemental cost-of-living increase for 2007; payment from experience account

- A. The legislature hereby acknowledges that providing generous retirement benefits for our state employees is an important element of the complete compensation package the state offers such employees for their public service. In order to maintain the purchasing power of a retiree's benefit, periodic increases in the benefit amount are necessary to offset the increases in the cost of ordinary living expenses. When the timing of such increases is infrequent or erratic, it becomes difficult for such increases to protect the retiree from falling behind financially.
- B. The legislature recognizes that while providing periodic cost-of-living increases is necessary to preserve the standard of living of our retired state employees, such

§542.1. Supplemental cost-of-living increase for 2007; payment from experience account

increases have a price which is ultimately paid by the taxpayers through allocation of employer contributions to the system. Increases should therefore be limited to a reasonable level to prevent the expense of such increases from causing an undue burden on the state fisc and, by extension on the taxpayers. Additionally, such increases are not meant to function as pay raises but merely to maintain the standard of living of the recipients, keeping pace with the Consumer Price Index for All Urban Consumers, U.S. city average for all items (CPI-U).

- C. (1) The legislature has provided for an employee experience account, a mechanism for determining each year whether a cost-of-living increase may be granted and the amount of any such increase that is permitted. The provisions of R.S. 11:542 prohibit any cost-of-living increase paid from experience account funds from being in excess of three percent, helping to limit the expense of granting each such increase to a reasonable level. Additionally, if the growth in the CPI-U for the preceding calendar year is less than three percent, then the statutorily permissible increase from the experience account is also of this lesser percent.
- (2) For an increase payable on July 1, 2007, the application of the experience account mechanism results in a determination that, if the system properly complies with all other requirements of the experience account statute and subject to the approval of the legislature, the board of trustees of the Louisiana State Employees' Retirement System may grant an increase to eligible retirees, survivors, and beneficiaries equal to the CPI-U for the 2006 calendar year of two and one-half percent.
- D. (1) Considering the factual and policy statements in Subsections A, B, and C of this Section, and taking into account that retired state employees did not receive a cost-of-living increase for three consecutive years due to market conditions and the deficit in the experience account, the legislature finds that, for the July 1, 2007, cost-of-living increase payable pursuant to the experience account statute, permitting the board to grant the maximum three-percent increase allowable pursuant to the provisions of the experience account statute without regard to the CPI-U helps preserve the purchasing power of retired state employees, their survivors, and beneficiaries without creating an undue financial burden on the state or the taxpayers.
- (2) Notwithstanding the provisions of R.S. 11:542(B)(2) and (C)(1) and (2) limiting any increase granted from experience account funds and payable July 1, 2007, to two and one-half percent, the board of trustees of the Louisiana State Employees' Retirement System is authorized to grant from the funds in the experience account a supplemental cost-of-living increase of one-half of one percent, which may be paid beginning July 1, 2007, provided all other requirements of R.S. 11:542 are met and the total level of the increase granted does not exceed three percent.

§542.1.1 Minimum benefit increase; payment from experience account

E. Except for the authority to grant a supplemental one-half of one percent increase payable July 1, 2007, nothing in this Section shall be construed to grant the board of trustees of the Louisiana State Employees' Retirement System any additional authority to grant or to recommend to the legislature that it be permitted to grant a cost-of-living increase greater than the increase as calculated pursuant to the provisions of R.S. 11:542 as they exist on June 30, 2007.

Acts 2007, No. 67, §1, eff. June 30, 2007; Acts 2008, No. 220, §4, eff. June 14, 2008.

§542.1.1 Minimum benefit increase; payment from experience account

A. A monthly minimum benefit increase shall be payable to:

- (1) Each retiree of the system who, on June 30, 2009, meets all of the following criteria:
 - (a) The retiree has thirty or more years of service credit, exclusive of unused leave.
 - (b) The retiree has been retired for fifteen years or more.
 - (c) The retiree receives a monthly retirement benefit of less than one thousand two hundred dollars.
 - (d) The retiree is at least sixty years of age.
 - (e) The retiree has neither participated in the Deferred Retirement Option Plan pursuant to R.S. 11:447 nor chosen an Initial Benefit Option pursuant to R.S. 11:446(A)(5).
- (2) Each nonretiree beneficiary receiving a benefit on June 30, 2009, who, as of June 30, 2009, meets all of the following criteria:
 - (a) The deceased member had thirty or more years of service credit exclusive of unused leave.
 - (b) The retiree and nonretiree beneficiary, or both combined, have received a benefit for at least fifteen years.
 - (c) The nonretiree beneficiary receives a monthly retirement benefit of less than one thousand two hundred dollars.
 - (d) The deceased member would be at least sixty years of age had he lived.
 - (e) The deceased member neither participated in the Deferred Retirement Option Plan pursuant to R.S. 11:447 nor chose an Initial Benefit Option pursuant to R.S. 11:446(A)(5).
- (3) Any unmarried surviving spouse, any surviving minor child, or any surviving totally physically handicapped or mentally disabled child of a deceased

§542.1.1 Minimum benefit increase; payment from experience account

member which survivor is receiving a monthly retirement benefit pursuant to R.S. 11:471 of less than one thousand two hundred dollars if, on June 30, 2009, all of the following apply to the deceased member:

- (a) The deceased member had at least thirty years of service credit, exclusive of unused leave.
- (b) The deceased member has been deceased for fifteen years or more.
- (c) The deceased member would have been at least age sixty.
- (d) The deceased member had not participated in the Deferred Retirement Option Plan pursuant to R.S. 11:447 and had not chosen an Initial Benefit Option pursuant to R.S. 11:446(A)(5).

B. Each person to whom this Section applies, except as provided in Subsection C of this Section, shall have his current monthly retirement benefit amount increased by the lesser of:

- (1) Three hundred dollars.
- (2) The difference between one thousand two hundred dollars and his current monthly benefit amount.

C. (1) Notwithstanding Subsection B of this Section, if any nonretiree beneficiary to whom this Section applies is receiving a monthly benefit amount based upon an optional allowance pursuant to R.S. 11:446(A)(1) through (4), which amount is less than that received by the retiree while alive, the amount of the increase that would otherwise be payable pursuant to Subsection B of this Section shall be prorated based upon the option selected.

- (2) Notwithstanding Subsection B of this Section, if a survivor to whom Paragraph (A)(3) of this Section applies is the sole survivor receiving a benefit pursuant to R.S. 11:471, he shall have his current monthly retirement benefit increased by the lesser of three hundred dollars or the difference between one thousand two hundred dollars and his current monthly benefit amount. If there are multiple survivors to whom Paragraph (A)(3) of this Section applies, such survivors shall share equally a monthly benefit increase of three hundred dollars.

D. The provisions of this Section shall not apply to any retiree, nonretiree beneficiary, or survivor receiving a benefit pursuant to a reciprocal agreement recognized by the system.

E. The actuarial cost of implementing the provisions of this Section shall be paid from the experience account.

§542.2. Permanent benefit increase; payable beginning July 1, 2016

F. The increase provided pursuant to this Section shall begin on July 1, 2009.

Added by Acts 2009, No. 144, §1, eff. July 1, 2009. Amended by Acts 2010, No. 861, §4, eff. August 15, 2010.

§542.2. Permanent benefit increase; payable beginning July 1, 2016

A. Notwithstanding any provision of R.S. 11:542 to the contrary, the board of trustees of the Louisiana State Employees' Retirement System may pay a permanent benefit increase, payable beginning July 1, 2016, to the following retirees and beneficiaries:

- (1) Any retiree, other than a disability retiree, who has attained at least age sixty and who has received a benefit for at least one year.
- (2) Any nonretiree beneficiary whose receipt of benefits is not based on the death of a disability retiree, if benefits had been paid to the retiree or the beneficiary, or both combined, for at least one year and if the retiree would have attained age sixty.
- (3) Any disability retiree or a person who receives benefits from the system based on the death of a disability retiree, if benefits have been paid to the retiree or the beneficiary, or both combined, for at least one year.

B. Any benefit increase paid pursuant to the provisions of this Section shall be paid from the funds in the system experience account.

C. The amount of the increase authorized by this Section shall be an amount determined by the system's actuary that is supported by the funds in the experience account up to a maximum payment of one and one-half percent of the benefit amount. The funds in the account shall be sufficient to fund such benefit fully on an actuarial basis. If the legislative auditor's actuary disagrees with the determination of the system's actuary, a permanent benefit increase shall not be granted.

D. The increase provided for in this Section shall be payable only on the first sixty thousand dollars of a retiree or beneficiary's benefit.

Added by Acts 2016, Nos. 93 and 512, §1, eff. June 30, 2016.

§543. Collection of benefits not due

The board of trustees shall use all reasonable means to collect benefits paid by the system to an individual who was not due the benefit. The right to collect any benefit paid to an individual to whom the benefit was not due shall prescribe after a period of three years has elapsed from the date of the payment, except in case of fraud. If the individual receiving the payment committed a fraud against the system, then the collection of such fraudulent payment shall prescribe after a period of ten years from the date of payment.

§544. Department of Revenue Alcohol and Tobacco Control Officers Fund

Added by Acts 2006, No. 770, § 1, eff. June 30, 2006.

§544. Department of Revenue Alcohol and Tobacco Control Officers Fund

- A. There is hereby established in the state treasury a special fund to be known as the “Department of Revenue Alcohol and Tobacco Control Officers Fund”, hereinafter referred to as the “fund”.
- B. (1) At the close of the 2006-2007 Fiscal Year, after allocation of money to the Bond Security and Redemption Fund as provided in Article VII, Section 9(B) of the Constitution of Louisiana, the treasurer shall deposit in and credit to the fund any unexpended monies previously allocated to the Tobacco Regulation Enforcement Fund, pursuant to R.S. 47:841(F), for the use of the Department of Revenue, office of alcohol and tobacco control.
- (2) The treasurer shall deposit in and credit to the fund any amount appropriated to the fund or otherwise made available thereto by the legislature. Such deposit shall be made on the effective date of any such appropriation or upon such amount being otherwise made available to the fund.
- (3) (a) Beginning with the 2007-2008 Fiscal Year and for each fiscal year thereafter, and after allocation of money to the Bond Security and Redemption Fund as provided in Article VII, Section 9(B) of the Constitution of Louisiana and until the actuarially accrued liability referenced in Subsection D of this Section has been fully satisfied, the treasurer shall deposit in and credit to the fund on a monthly basis a sum which would otherwise be allocated to the Tobacco Regulation Enforcement Fund, pursuant to R.S. 47:841(F), for the use of the Department of Revenue, office of alcohol and tobacco control.
- (b) The monthly amount of such sum as provided for in Subparagraph (a) of this Paragraph shall be the lesser of:
- (i) Twenty percent of the sum which would otherwise be allocated to the Tobacco Regulation Enforcement Fund for the use of the Department of Revenue, office of alcohol and tobacco control.
- (ii) Fourteen thousand dollars.
- C. Monies in the fund shall be invested in the same manner as the state general fund monies. Interest earned on the investment of monies in the fund, after being credited to the Bond Security and Redemption Fund pursuant to Article VII, Section 9(B) of the Constitution of Louisiana, shall be credited to the fund. Except as otherwise provided in this Section, all unexpended and unencumbered monies and earnings remaining in the fund at the end of the fiscal year shall remain in the fund and shall

§545. Department of Public Safety Peace Officers Fund

be available for allocation in the next fiscal year in the same manner and for the same purposes as provided in this Section.

- D. The monies in the fund shall be used for funding retirement benefits for full-time law enforcement personnel, supervisors, and administrators who are employed with the Department of Revenue, office of alcohol and tobacco control, who are P.O.S.T-certified, who have the power to arrest, and who hold a commission from such office. Any monies in the fund not used for retirement benefits as provided in this Section may be reallocated to the Tobacco Regulation and Enforcement Fund to provide support for the operations of the office; however, until any unfunded actuarially accrued liability for retirement benefits for commissioned alcohol and tobacco control officers created pursuant to Act No. 353 of the 2007 Regular Session of the Legislature which enacted this Section and Act No. 740 of the 2008 Regular Session of the Legislature has been fully funded, the monies in the fund shall be used exclusively for the purpose of providing funding for such unfunded actuarially accrued liability.
- E. On October first of each fiscal year, beginning with the 2007-2008 Fiscal Year, the treasurer shall allocate and distribute to the system from the fund the amount of any payment approved by the Public Retirement Systems' Actuarial Committee to be paid from the fund for that fiscal year; however, in no case shall the allocation and distribution to the system provided in this Subsection exceed the balance in the fund. Any unpaid portion of an amortization payment for a particular fiscal year shall be paid directly by the Department of Revenue, office of alcohol and tobacco control, or from the funds in the Tobacco Regulation Enforcement Fund which are otherwise available to such office.
- F. When the actuarially accrued liability referenced in Subsection D of this Section has been fully satisfied, as determined by the Public Retirement Systems' Actuarial Committee, the fund shall be abolished. Any excess amounts in the fund shall revert to the Tobacco Regulation Enforcement Fund.

Added by Acts 2007, No. 353, §1, eff. June 30, 2007. Amended by Acts 2008, No. 740, §1, eff. August 15, 2008.

§545. Department of Public Safety Peace Officers Fund

- A. There is hereby established in the state treasury a special fund to be known as the "Department of Public Safety Peace Officers Fund" hereinafter referred to as the "fund".
- B. (1) At the close of the 2006-2007 Fiscal Year, after allocation of money to the Bond Security and Redemption Fund as provided in Article VII, Section 9(B) of the Constitution of Louisiana, the treasurer shall deposit in and credit to the fund:
- (a) An amount equal to one-half of the sum collected for the temporary permit fee charged pursuant to R.S. 47:511.1(A) during the 2006-2007 Fiscal Year; and

§545. Department of Public Safety Peace Officers Fund

- (b) Any monies previously allocated to the Department of Public Safety and Corrections Police Officer Fund created by Act No. 728 of the 2006 Regular Session of the Legislature.
- (2) The treasurer shall deposit in and credit to the fund any amount appropriated to the fund or otherwise made available thereto by the legislature. Such deposit shall be made on the effective date of any such appropriation or upon such amount being otherwise made available to the fund.
- (3) Beginning with the 2007-2008 Fiscal Year and for each fiscal year thereafter, and after allocation of money to the Bond Security and Redemption Fund as provided in Article VII, Section 9(B) of the Constitution of Louisiana, the treasurer shall deposit in and credit to the fund on a monthly basis an amount equal to one-half of the sum collected for the temporary permit fee charged pursuant to R.S. 47:511.1(A).
- C. Monies in the fund shall be invested in the same manner as the state general fund monies. Interest earned on the investment of monies in the fund, after being credited to the Bond Security and Redemption Fund pursuant to Article VII, Section 9(B) of the Constitution of Louisiana, shall be credited to the fund. All unexpended and unencumbered monies and earnings remaining in the fund at the end of the fiscal year shall remain in the fund and shall be available for allocation in the next fiscal year in the same manner and for the same purposes as provided in this Section.
- D. The monies in the fund shall be used for funding retirement benefits for peace officers, as defined in R.S. 40:2402(3)(a), employed by the Department of Public Safety and Corrections, office of state police, other than state troopers. Any monies in the fund not used for retirement benefits as provided in this Section may be used for special law enforcement initiatives and to support the operations of the Department of Public Safety and Corrections, Capitol Complex Police Force.
- E. On October first of each fiscal year, beginning with the 2007-2008 Fiscal Year, the treasurer shall allocate and distribute to the system from the fund the amount of any amortization payment calculated by the system actuary and contained in the system's valuation for the previous fiscal year approved by the Public Retirement Systems' Actuarial Committee to be paid from the fund; however, in no case shall the allocation and distribution to the system provided in this Subsection exceed the balance in the fund. Any unpaid portion of an amortization payment for a particular fiscal year shall be treated as an underpayment pursuant to R.S. 11:102(B)(2)(c) and shall be included in the calculation of the actuarially required contribution for all employers of the system for the following fiscal year.

Added by Acts 2007, No. 414, §1, eff. June 30, 2007; Amended by Acts 2014, No. 524, §1 eff. August 1, 2014.

§ 546. Adult Probation and Parole Officer Retirement Fund

§ 546. Adult Probation and Parole Officer Retirement Fund

- A. There is hereby established in the state treasury a special fund to be known as the Adult Probation and Parole Officer Retirement Fund, hereafter in this Section, the “fund”.
- B. Beginning with the 2009-2010 Fiscal Year and for each fiscal year thereafter, and after allocation of money to the Bond Security and Redemption Fund as provided in Article VII, Section 9(B) of the Constitution of Louisiana, the treasurer shall deposit in and credit to the fund on a monthly basis an amount equal to the sum collected for the processing fee charged pursuant to R.S. 15:574.4.2 less any decrease from other parole and probation fees collected in Fiscal Year 2008-2009 and the amount of such fees collected in the current fiscal year, if there is any decrease in the collection of such fees.
- C. Monies in the fund shall be invested in the same manner as the state general fund monies. Interest earned on the investment of monies in the fund, after being credited to the Bond Security and Redemption Fund pursuant to Article VII, Section 9(B) of the Constitution of Louisiana, shall be credited to the fund. All unexpended and unencumbered monies and earnings remaining in the fund at the end of the fiscal year shall remain in the fund.
- D. (1) Until any actuarially accrued liability for retirement benefits for probation and parole officers in the office of adult services of the Department of Public Safety and Corrections created pursuant to Acts 2014, No. 852 has been fully funded, the monies in the fund shall be used exclusively for the purpose of providing funding for such actuarially accrued liability, and for payment of any normal cost increase caused by Acts 2014, No. 852.
- (2) After such actuarially accrued liability has been fully funded, all monies in the fund shall be available to the Department of Public Safety and Corrections to help defray the costs of supervision of persons on probation or parole, including the normal cost of retirement benefits for employees of the department who are members of this system.
- E. (1) On March 30, 2015, the treasurer shall allocate and distribute to the system from the fund an initial payment of one million dollars. This payment shall be used first to fund the first year’s normal cost increase. The balance shall be applied to the amortization of the unfunded accrued liability, if any, created by enactment of R.S. 11:444(A)(2)(d). The June 30, 2014, system valuation shall account for this initial payment.
- (2) On April 1, 2016, and on April first of each year thereafter, the treasurer shall allocate and distribute to the system from the fund the amount of any amortization and normal cost payments to be paid from the fund as

§ 546. Adult Probation and Parole Officer Retirement Fund

calculated by the system actuary and contained in the system's valuation for the previous fiscal year and approved by the Public Retirement Systems' Actuarial Committee; however, the allocation and distribution to the system provided for in this Paragraph shall not exceed the balance in the fund.

- (3) In addition to the payment required by Paragraph (2) of this Subsection, on April first of each year, the treasurer shall allocate and distribute to the system from the fund any amount over fifty thousand dollars of the balance remaining in the fund after the payment required by Paragraph (2) of this Subsection has been made. Thereafter, not less than quarterly, the treasurer shall allocate and distribute to the system any balance remaining in the fund exceeding fifty thousand dollars. The system shall hold these allocations and distributions in a separate account to be used only for the following purposes:
 - (a) Funding the next fiscal year's payment for actuarially accrued liability and normal cost payable pursuant to Paragraph (2) of this Subsection, if the balance in the fund is insufficient to fully finance that fiscal year's payment.
 - (b) To make an additional payment toward the actuarially accrued liability created by Acts 2014, No. 852.
- (4) Any unpaid portion of an amortization or normal cost payment for a particular fiscal year shall be included in the next year's system valuation as part of an individualized calculation pursuant to R.S. 11:102(C)(3) and (4).

Added by Acts 2009, No. 299, §1, eff. July 1, 2009; Amended by Acts 2014, No. 852, §1, eff. June 30, 2014.

Part VII. Provisions Relating to Other Groups

Subpart A. Judges and Officers of the Court

§551. Eligibility for membership

- A. Notwithstanding anything in R.S. 11:413 to the contrary the judges and court officers set forth in R.S. 11:553 who take office on and after July 1, 1983, shall become members of the Louisiana State Employees' Retirement System and be eligible to obtain credit in and transfer credit to the system, as set forth herein. Judges and court officers in office prior to July 1, 1983, shall continue to be governed by the law applicable to them prior to July 1, 1983.
- B. Beginning January 1, 2011, the provisions of this Subpart shall not be applicable to judges or court officers to whom R.S. 11:553 would otherwise apply but whose first employment making them eligible for membership in one of the state systems occurred on or after such date. Such persons shall continue to be members of the Louisiana State Employees' Retirement System but shall be subject to the provisions of this Chapter otherwise applicable to system members.

Added by Acts 1976, No. 518, §1. Acts 1983, No. 674, §1; Redesignated from R.S. 13:11 by Acts 1991, No. 74, §3, eff. June 25, 1991; Acts 2010, No. 992, §1, eff. Jan. 1, 2011; Acts 2010, No. 1004, §1, eff. July 1, 2010.

§552. Effect of failure to exercise option

- A. Any judge or court officer enumerated in R.S. 11:553 who is in office on August 2, 1976, and who does not avail himself of the provisions of this Subpart by timely exercising the option hereinafter provided, and their surviving spouses, shall retain the right to receive those benefits provided for judges and their surviving spouses in accordance with the constitution and the statutes of this state or by local laws pertaining to the respective political subdivisions of the state heretofore provided.
- B. No judge or court officer described in R.S. 11:553 who takes office after August 2, 1976, but prior to July 1, 1983, who does not avail himself of the provisions hereof by timely exercising the option hereinafter provided, shall be eligible thereafter to receive any retirement or pension benefits from the state of Louisiana pursuant to or provided by the authority of Section 16 of Article XIV of the Constitution of Louisiana.

Added by Acts 1976, No. 518, §1. Amended by Acts 1977, No. 630, §1. Acts 1983, No. 674, §1; Redesignated from R.S. 13:12 by Acts 1991, No. 74, §3, eff. June 25, 1991.

§553. Eligible judges and court officers

This Subpart shall apply to judges and court officers enumerated in this Section whose first employment making them eligible for membership in one of the state systems occurred on or before December 31, 2010:

- (1) Justices of the Louisiana Supreme Court.
- (2) The judicial administrator of the supreme court and his deputy or deputies.
- (3) Judges of the courts of appeal.
- (4) Judges of the district courts.
- (5) Judges of the Civil District Court for the Parish of Orleans.
- (6) Commissioners of the Civil District Court for the Parish of Orleans.
- (7) Judges of the Criminal District Court for the Parish of Orleans.
- (8) Magistrates of the magistrate section of the Criminal District Court for the Parish of Orleans.
- (9) Commissioners of the magistrate section of the Criminal District Court for the Parish of Orleans.
- (10) Judges of the juvenile courts for the parishes of East Baton Rouge, Orleans, Jefferson, and Caddo.
- (11) Judges of the family court for the parish of East Baton Rouge.
- (12) Judges of the first and second parish courts for the parish of Jefferson.
- (13) Judges of the first and second city courts of New Orleans, Municipal Court of New Orleans and traffic courts of New Orleans.
- (14) Judges of the various city courts now existing or hereafter created in this state.
- (15) Judges of any parish court now existing or hereafter created in this state.
- (16) The judicial administrator of the Criminal District Court for the Parish of Orleans and his deputy or deputies.
- (17) The judicial administrator of the traffic courts for the parish of Orleans and each deputy of the administrator.
- (18) The judicial administrator of the Fourth Judicial District Court for the parishes of Morehouse and Ouachita and his deputy or deputies.

Acts 1976, No. 518, §1; Acts 1990, No. 158, §1, eff. July 1, 1990; Redesignated from R.S. 13:13 by Acts 1991, No. 74, §3, eff. June 25, 1991; Acts 1993, No. 786, §1; Acts 2002, 1st Ex. Sess., No. 10, §1; Acts 2003, No. 953, §1, eff. July 1, 2003; Acts 2010, No. 992, §1, eff. Jan. 1, 2011; Acts 2010, No. 1004, §1, eff. July 1, 2010.

§554. Exercise of option

- A. Each judge and court officer described in R.S. 11:553 who is in office on August 2, 1976 is hereby granted the option to become a member of the Louisiana State Employees' Retirement System for a period of one hundred twenty days from said date by electing to avail himself within said time of all the benefits, emoluments, and conditions of said system as presently provided by R.S. 11:131 through 174 and R.S. 11:401 through 504, and of all benefits, emoluments, and conditions otherwise applicable to said system by the statutory laws of Louisiana, including the provisions of this Subpart.

- B. For a period of one hundred twenty days after taking the oath of office, each of the judges and court officers who assume such offices after August 2, 1976, but prior to July 1, 1983, shall have the same option as herein provided for those in office on said date. Credit for service rendered prior to the exercise of said option shall be governed by the provisions of R.S. 11:563(A).

- C. The option granted herein shall be exercised by addressing a letter to the board of trustees of the Louisiana State Employees' Retirement System advising said board that the judge or court officer exercising the option accepts membership in the system in accordance with the provisions of this Subpart.

- D. Notwithstanding any provision of law to the contrary, any judge of any parish court whose salary or compensation is not paid, in whole or in part, with state funds shall not be required to become or remain a member of the Louisiana State Employees' Retirement System, if that person is eligible to become a member of any other funded retirement plan for parish court judges. Should a judge of a parish court as described in this Subsection decline to become a member of or withdraw from the Louisiana State Employees' Retirement System, that judge may subsequently be allowed to become a member of the Louisiana State Employees' Retirement System plan for judges only upon application and payment to the Louisiana State Employees' Retirement System of an amount equal to the actuarial cost to the system as determined by the board of trustees of any additional benefits payable as a result of any purchase or repurchase of service as a parish court judge as described in this Subsection.

Added by Acts 1976, No. 518, §1. Amended by Acts 1977, No. 630, §1. Acts 1983, No. 674, §1; Acts 1985, No. 840, §2; Redesignated from R.S. 13:14 by Acts 1991, No. 74, §3, eff. June 25, 1991.

§555. Membership and credit; additional

Notwithstanding any other provisions of law to the contrary, any judge enumerated in R.S. 11:553 who is in office on September 7, 1979 and who failed to timely exercise his option to be governed by this Subpart shall be eligible to become a member and

§556. Exercise of option; additional time granted

receive credit for all service rendered as a judge. In order to receive such membership and credit any such judge shall on or before the lapse of one hundred twenty days after September 7, 1979 apply to the board of trustees for such membership and credit. In addition, any such judge shall pay into the system an amount equal to the employers and the employee contributions which would have been paid on and after October 1, 1976 had this system been applicable to his service as a judge since October 1, 1976, plus five percent interest thereon, compounded annually from the dates of such service until paid. The employer or employers may pay into the system an amount equal to the employee contributions which would have been paid since October 1, 1976 plus five percent interest thereon, compounded annually from date of service until paid. The judge and/or the employer or employers will make such payments within one hundred twenty days after the judge makes application to the board of trustees.

Added by Acts 1979, No. 519, §1; Redesignated from R.S. 13:14.1 by Acts 1991, No. 74, §3, eff. June 25, 1991.

§556. Exercise of option; additional time granted

Notwithstanding any other provisions of law to the contrary, any person enumerated in R.S. 11:553 who is in office on September 6, 1985, and who failed to timely exercise his option to be governed by this Subpart shall be eligible to become a member, transfer creditable service, and receive credit for all service rendered as provided by this Subpart, particularly R.S. 11:563. In order to receive such membership and credit, any such person shall on or before the lapse of one hundred twenty days after September 6, 1985, apply to the board of trustees in a form as required by the board for such membership and credit. In addition, there shall be paid into the system a sum equal to the present value of the retirement benefit payable on account of the membership and credit should the member retire at the time membership and credit is established if he is eligible to retire at the time he establishes the membership and credit, or an amount which, if invested at regular interest, as set by the board of trustees, would accumulate to an amount equal to the present value of the retirement benefit payable on account of the membership and credit should the member continue until the earliest date he is eligible to retire if he is not eligible to retire at the time he establishes the membership and credit. Of this sum, the member shall pay an amount equal to the employee contributions which would have been paid on and after October 1, 1976, had this system been applicable to the service as a judge or court officer since October 1, 1976, plus seven percent interest thereon, compounded annually from the date of service until paid, and the state shall pay the difference. This option shall only be effective upon payment by both the state and the judge or court officer. If agreed to by the board of trustees, and under terms and conditions set by the board, the required payments may be paid in installments, but in any case, the payments shall be paid in full prior to the date of application for retirement.

Acts 1985, No. 264, §1; Redesignated from R.S. 13:14.2 by Acts 1991, No. 74, §3, eff. June 25, 1991.

§557. Additional benefits

- A. Any person covered by this Subpart who becomes a member of the Louisiana State Employees' Retirement System shall receive an additional benefit equal to one percent times the number of years of service as a judge or court officer times his average compensation.

- B. Any person covered by this Subpart who has not severed employment on July 6, 2004 and who was eligible to participate in the Deferred Retirement Option Plan on March 1, 1999, who entered the plan but who did not participate in the plan for the maximum time period allowed pursuant to this Chapter may elect to resume participation in the plan. The member shall notify the system on or before December 31, 2004, of his intention to resume participation and the date on which he would like to resume participation. For a time period not longer than the portion of the maximum participation period during which the member did not participate in the plan, and beginning on the date selected by the member, the system shall treat the member in the same manner as it treats any other participant in the plan. The rights, duties, and responsibilities of the system and of the member shall be governed by the provisions of this Chapter pertaining to the Deferred Retirement Option Plan. In no event shall the total of the time period the member originally participated in the plan and the time period during which the member resumes participation exceed the statutory maximum plan participation period.

Added by Acts 1976, No. 518, §1. Acts 1983, No. 674, §1; Redesignated from R.S. 13:15 by Acts 1991, No. 74, §3, eff. June 25, 1991 Acts 2004, No. 727, §1, eff. July 6, 2004.

§558. Eligibility for retirement

Eligibility for retirement under this Part shall be as follows:

- A. (1) Any person covered by this Part who becomes a member of the Louisiana State Employees' Retirement System and who prior to application for service retirement has accumulated a total of at least eighteen years of creditable service as a judge or court officer shall be entitled to retire without regard to the age he has attained at the time he makes application for retirement.

- (2) Upon attaining a total of twenty years of creditable service, at least twelve years of which were as a judge or court officer, any such person shall be entitled to retire if he has attained the age of fifty years.

- (3) Upon attaining a total of at least twelve years of creditable service as a judge or court officer, any such person shall be entitled to retire when he attains the age of fifty-five years.

– Revised Statutes –
§558. Eligibility for retirement

- (4) Upon attaining a total of at least ten years of creditable service as a judge or court officer, any such person shall be entitled to retire when he attains the age of sixty-five years.
- (5) Upon attaining the age of seventy years any such person shall be entitled to retire hereunder without regard to the number of years of creditable service as a judge or court officer; however, nothing in this Title shall be construed as prohibiting a judge from remaining in office beyond his seventieth birthday so long as remaining in office is constitutionally permissible.
- (6) (a) (i) Any judge, whether covered by this Subpart or R.S. 11:1351 through 1358, whose judicial division or position was not precleared by the United States Department of Justice prior to July 30, 1991, holding office on the initial effective date of this Paragraph by appointment or otherwise, and any judge currently serving in a court which has been held by a federal court to be in violation of the Voting Rights Act or currently serving in a court which is restructured by federal court order, shall be allowed to retire at the end of his service in office, regardless of his age and years of service, provided that such judge does not seek reelection to his current judicial office nor seek election to another judicial office.
 - (ii) The judge shall receive as a base annual benefit that proportion of his annual judicial pay, as it exists on the date of his retirement, which his number of years served on a court of record bears to twenty-five. As a supplemental benefit, a judge covered by R.S. 11:1351 through 1358 shall receive a sum equal to three and one-half percent of his annual judicial pay, as it exists on the date of his retirement, for each year, not to exceed four years, that he served in the armed forces of the United States, a sum equal to three and one-half percent of such pay for each year that he served as a member of the legislature of this state, and a sum equal to two and one-half percent of such pay for each year that he served in a prosecutorial capacity with an office of district attorney or any other political subdivision or agency of this state. As a supplemental benefit, a judge covered by the provisions of this Subpart shall receive a sum equal to what would otherwise be payable to him, as a retirement benefit by the Louisiana State Employees' Retirement System, assuming he was otherwise eligible for retirement thereunder, disregarding any age and years of service requirements, on account of his service in the armed forces of the United States, his service as a member of the legislature of this state, and his service rendered in a prosecutorial capacity with an office of district attorney or any other political subdivision or agency of this state, provided credit and benefits relative thereto are established in accordance with the otherwise

§558.1. Credit resulting from certain delays

applicable laws concerning same governing the Louisiana State Employees' Retirement System. However, in no case shall the total of benefits paid to any judge exceed one hundred percent of his judicial pay, as it exists on the date of his retirement.

- (b) Any judge seeking to avail himself of the provisions of this Paragraph shall make application for such retirement before November 21, 1993, and such application shall be irrevocable.
 - (c) The supreme court for the state of Louisiana has the authority to continue the pay and benefits for those judges whose seats were not precleared by the United States Department of Justice until the effective retirement date for such judges; or until the lawsuits challenging those judgeships are finally resolved, including all appeals.
- B. Any person who retires under the provisions of Subsection A hereof shall receive the full retirement benefit, without reduction of any percentage which may be provided in the laws pertaining to the retirement system for retirement before the normal retirement age, if such person has not previously received a refund of his accumulated contributions.
- C. The retirement benefits provided by this Subpart shall not exceed the limitation provided in R.S. 11:444(B). When a member has earned benefits equal to one hundred percent of his average compensation, no further contribution shall be required of him. The state, its agencies and political subdivisions shall continue to pay to the system the employer's contribution.
- D. For purposes of computing retirement benefits for persons covered by this Subpart, "average compensation" means the average annual earned compensation of the member for any three years of creditable service during which such earned compensation was the highest.
- E. For purposes of this Section, a court officer shall include a law clerk of a judge or justice of an appellate court.

Added by Acts 1976, No. 518, §1. Amended by Acts 1977, No. 630, §1; Acts 1983, No. 674, §1; Acts 1991, No. 1063, §1, eff. July 30, 1991; Redesignated from R.S. 13:16 by Acts 1991, No. 74, §§3, 5, eff. June 25, 1991; Acts 1993, No. 264, §1; Acts 1995, No. 1175, §1; Acts 2003, No. 1025, §1, eff. July 1, 2003; Acts 2003, No. 1189, §1.

§558.1. Credit resulting from certain delays

- A. Any judge currently serving in a court who was delayed by a federal court from assuming the duties of his judicial division pending the resolution of a dispute involving the Voting Rights Act, or pending judicial restructuring by federal court order, shall be eligible to purchase service credit for the period of such delay in accordance with the provisions of this Section.

§558.2. District court judges' benefits; service credit; calculation

- B. The employer and employee shall make all such contributions that would have been made if there had been no delay and any additional amounts as required by the provisions of R.S. 11:158.
- C. The member shall not be credited with such service until all payments due and owing are received by this system. Credit purchased under this Section shall be applicable toward retirement eligibility and the calculation of benefits.
- D. (1) Any judge who had service credited to his account in any Louisiana public retirement system, during the time that he was delayed from assuming the duties of his judicial division, shall be eligible to transfer such credit to this system, provided he pays any actuarial cost attributable thereto.

(2) Any credit transferred under Paragraph (1) shall be subject to the benefit accrual rate applicable to judges under this system and shall be applicable to the attainment of eligibility for retirement and the calculation of benefits.

Added by Acts 1993, No. 855, §1.

§558.2. District court judges' benefits; service credit; calculation

- A. Any member of this system who is or was a judge of a civil district court or a criminal district court in a parish that has separate civil and criminal district courts shall be eligible for retirement benefits, calculated in accordance with Subsection B of this Section, provided all of the following apply:
 - (1) The judge was serving in a court of record on June 30, 1995.
 - (2) The judge was eligible for retirement under the provisions of R.S. 11:558(A) (1), (2), (3), or (4), on or before December 31, 1996.
 - (3) The division or section of the civil district court or the criminal district court in which the judge was serving is situated within the geographic jurisdiction of a state circuit court of appeal of which a member was certified by the judicial administrator of the Louisiana Supreme Court to be covered by the provisions of R.S. 11:558(A)(5), with such certification being based on an application submitted by a member before December 21, 1993.
- B. That portion of benefits based on service rendered on and before December 31, 1996, by a member of this system who meets the specifications of Subsection A of this Section, shall be calculated in accordance with R.S. 11:558(A)(5)(a)(ii).
- C. The provisions of this Section shall have retroactive application to December 31, 1996.

Added by Acts 2000, 1st Ex.Sess., No. 17, §1. Amended by Acts 2000, 2nd Ex.Sess., No. 25, §1.

§559. Transfer of creditable service; purchase of credit for service

§559. Transfer of creditable service; purchase of credit for service

Any judge or court officer enumerated in R.S. 11:553 who is a member of the Louisiana State Employees' Retirement System shall have the option of any or all of the following:

- (1) Transferring to the Louisiana State Employees' Retirement System all of his credit from any public retirement or pension system, fund, or plan maintained primarily for officers and employees of the state of Louisiana or any political subdivision thereof, provided that he is not receiving a regular or disability benefit from the transferring retirement or pension system, fund, or plan. All transfers of creditable service authorized by this Section shall be made in accordance with the provisions of R.S. 11:143.
- (2) Purchasing credit for service as a special investigator or prosecutor of any Louisiana court, provided such purchase does not cause a duplication of credit for such service. Any purchase made pursuant to this Section shall be made in accordance with the provisions of R.S. 11:158.
- (3) Upgrading credit for services other than judicial service to credit for judicial service by purchase made in accordance with the provisions of R. S. 11:158.

Added by Acts 1976, No. 518, §1. Acts 1983, No. 674, §1. Acts 1986, No. 440, §1; Redesignated from R.S. 13:17 by Acts 1991, No. 74, §3, eff. June 25, 1991; Acts 1995, No. 1177, §1; Acts 2002, 1st Ex. Sess., No. 10, §1.

§560. Contributions

In addition to the regular employee contribution required by law to be paid into the Louisiana State Employees' Retirement System by its members, each person covered by this Subpart who becomes a member of that system thereafter shall contribute to the system an amount equal to four percent of all salary or compensation received by him for service as a judge or as a court officer, regardless of the source of such salary or compensation. The state of Louisiana and any political subdivision or agency thereof that pays, contributes to or supplements the salary or compensation of each such person, through the office of its treasurer or other appropriate official or authority, thereafter shall contribute to the system an amount equal to nine percent of the salary or compensation paid to each person becoming a member of this system in accordance with the provisions of this Subpart.

Added by Acts 1976, No. 518, §1. Acts 1983, No. 674, §1; Redesignated from R.S. 13:18 by Acts 1991, No. 74, §3, eff. June 25, 1991.

§561. Disability retirement pay

Notwithstanding any contrary provision of law, any person who becomes a member of the Louisiana State Employees' Retirement System in accordance with the provisions of this Subpart and who thereafter becomes physically or mentally incapacitated to perform his duties shall be retired and, upon application to the board of trustees of the system and meeting the conditions for establishing such disability set forth in Subpart C of Part IV of Chapter 1 of Subtitle II of Title 11, R.S. 11:461, of the Louisiana Revised Statutes of 1950, as amended, shall be paid disability retirement benefits equal to

§562.1. Continued eligibility for survivor benefits of minor children and handicapped

fifty percent of the salary being received immediately preceding such retirement or an amount equal to the maximum retirement allowance provided for in R.S. 11:444 plus an additional one percent for each year of creditable service as a judge or court officer, whichever is greater.

Added by Acts 1976, No. 518, §1. Amended by Acts 1978, No. 533, §1; Redesignated from R.S. 13:19 by Acts 1991, No. 74, §3, eff. June 25, 1991.

§562. Survivor benefits

- A. Benefits for the surviving spouse, minor children, and handicapped or mentally retarded children of any deceased person enumerated in R.S. 11:553 who becomes a member of the Louisiana State Employees' Retirement System shall be paid in accordance with the provisions of law applicable to survivors of members of the system. However, the benefits paid to any such surviving spouse shall not be less than one-third of the salary or compensation which was being paid to the deceased person at the time of death or retirement, or an amount equal to one-half of the retirement pay which such person was entitled to receive or was receiving prior to his death, or the amount provided for the surviving spouse of any judge who otherwise may have qualified under the provisions of R.S. 11:1381, whichever is the greater. In addition, the minimum benefit for a surviving spouse shall be paid without regard to the number of years of creditable service accumulated in the system by the decedent.

- B. Notwithstanding any other provision of law to the contrary, the provisions of this Section shall be applicable only to survivors of members actively serving in those positions provided for in R.S. 11:553 and survivors of those who have retired pursuant to R.S. 11:558. These provisions shall not apply to survivors of members who retire pursuant to R.S. 11:441 and R.S. 24:36(C).

- C. Notwithstanding the provisions of R.S. 11:471(C), or any other provision of law to the contrary, a benefit shall be payable to the surviving spouse of any member who dies on or after June 1, 2003, without regard to the length of time married prior to the death of the member, of a member who had at least seventeen years of creditable service which was earned immediately prior to death, and was in state service at the time of death.

Added by Acts 1976, No. 518, §1. Amended by Acts 1978, No. 533, §1; Acts 1983, No. 674, §1; Acts 1991, No. 670, §1; Redesignated from R.S. 13:20 by Acts 1991, No. 74, §3, eff. June 25, 1991; Acts 2003, No. 1025, §1, eff. July 1, 2003.

NOTE: See Acts 2003, No. 1025, §2, relative to remedial nature of Subsection C as amended and effectiveness on and after June 1, 2003.

§562.1. Continued eligibility for survivor benefits of minor children and handicapped or mentally retarded children

§563. Additional creditable service

Participation in the Deferred Retirement Option Plan, pursuant to R.S. 11:447, shall not terminate membership in the Louisiana State Employees' Retirement System for those persons enumerated in R.S. 11:553 for the purposes of survivor benefits as provided by law for minor children and handicapped or mentally retarded children. In no event shall the total yearly benefit provided under R.S. 11:471 through 480 and R.S. 11:562 exceed seventy-five percent of the member's final average compensation.

Added by Acts 1995, No. 1107, §1, eff. July 1, 1995.

NOTE: Section 2 of Acts 1995, No. 1107 provides: "This Act shall take effect and become operative only if funds to provide for survivor benefits authorized herein are appropriated in the Act which originated as House Bill No. 2271 of the 1995 Regular Session of the Legislature." Act 1107 is not specifically provided for in Act 1225 (HB 2271).

§563. Additional creditable service

A. Notwithstanding any other provisions of law to the contrary, any person who becomes a member of the Louisiana State Employees' Retirement System shall be eligible to receive credit in the system for service rendered as a judge of any court in this state or as a court officer prior to becoming a member or for any service creditable in the Louisiana State Employees' Retirement System. Any such person in office on October 1, 1976 shall receive the creditable service for time served as a judge or court officer without contribution therefor on his part. Credit for any service creditable shall be in accordance with applicable provisions of Chapter 1 of Title 11 of the Louisiana Revised Statutes of 1950 provided that the prior employing agency may pay the employer contributions required, plus interest applicable thereto; provided, any person who was eligible to take advantage of this Subpart, shall receive any prior service in and shall be eligible to reestablish and transfer any employee and employer contributions, if any, to any retirement system of which he is presently a member. Other such persons who take office after August 2, 1976, shall receive the credit in accordance with the provisions of Chapter 1 of Title 11 of the Louisiana Revised Statutes of 1950.

B. The provisions of this Section shall not apply to any person who retains credit for such additional creditable service in any other public retirement system.

Added by Acts 1976, No. 518, §1. Amended by Acts 1977, No. 630, §1; Acts 1979, No. 519, §1; Acts 1983, No. 674, §1; Redesignated from R.S. 13:21 by Acts 1991, No. 74, §3, eff. June 25, 1991.

§564. Credit for service with indigent defender program

Notwithstanding any other provision of law to the contrary, any person who is a member of the retirement plan maintained for judges and officers of the court within the Louisiana State Employees' Retirement System shall be eligible to receive judicial credit for all service rendered in the program, under the Indigent Defender Board as established in Acts 1976, No. 653, if at any time he was employed as chief indigent defender or an assistant. In order to obtain this credit, the member shall make application therefor on

or before January 1, 1999, and furnish to the board of trustees a detailed statement of all service for which credit is claimed in such form as the board may require. In addition, there shall be paid into the system an amount which, on an actuarial basis, totally offsets the increase in accrued liability of the system resulting from the receipt of the credit. The amount payable shall be calculated by use of the actuarial funding method, assumptions, and tables in use by the system at the time of application for credit. Such amount shall be paid in one lump sum or in such installments as shall be agreed upon between the member and the board of trustees.

Acts 1986, No. 614, §1, eff. July 6, 1986; Redesignated from R.S. 13:21.1 by Acts 1991, No. 74, §3, eff. June 25, 1991; Acts 1997, No. 497, §1.

§565. Credit for service with Legal Aid Bureau

Notwithstanding any other provision of law to the contrary, any person who is a participant in the retirement plan maintained for judges and officers of the court within the Louisiana State Employees' Retirement System shall be eligible to receive nonjudicial credit for all service rendered as a full-time employee of either the Legal Aid Bureau of New Orleans, Louisiana, or the Capital Area Legal Services Corporation of Baton Rouge, Louisiana. In order to obtain this credit, the member shall make application therefor on or before January 1, 2003, and furnish to the board of trustees a detailed statement of all service for which credit is claimed in such form as the board may require. In addition, there shall be paid into the system an amount calculated in accordance with the provisions of R.S. 11:158. Such amount shall be paid in one lump sum or in such installments as shall be agreed upon between the member and the board of trustees.

Acts 1987, No. 910, §1, eff. July 1, 1987; Redesignated from R.S. 13:21.2 by Acts 1991, No. 74, §3, eff. June 25, 1991; Acts 2001, No. 746, §1, eff. Dec. 31, 2001.

§565.1. Credit for service as full-time law clerk

Notwithstanding any other provision of law to the contrary, any person who is a participant in the retirement plan maintained for judges and officers of the court within the Louisiana State Employees' Retirement System shall be eligible to receive nonjudicial credit for all service rendered as a full-time law clerk for a judge or justice of any district court or appellate court of record in this state. In order to obtain this credit, the member shall make application therefor on or before January 1, 1998, and furnish to the board of trustees a detailed statement of all service for which credit is claimed in such form as the board may require. In addition, there shall be paid into the system, if not previously paid, an amount calculated in accordance with the provisions of R.S. 11:158. Such amounts shall be paid in one lump sum.

Added by Acts 1995, No. 1175, §1. Amended by Acts 1997, No. 490, §1.

§566. Assigned judges

A. For purposes of Article V, Section 5 of the Constitution of Louisiana with respect to the assignment of judges, a retired judge shall be an individual formerly elected

to the office of judge, who is not currently serving, whether or not vested in the retirement system.

- B. Notwithstanding any contrary provision of law, and particularly R.S. 11:416, any judge who, following service retirement under the provisions of this Subpart, is assigned to sit as a judge of any court of record for a specified time shall continue to receive the retirement pay being paid to him at the time of such assignment; however, the amount so received as retirement pay for any month shall be deducted from the salary payable to the judge as an assigned judge.

Acts 1990, No. 437, §1; Redesignated from R.S. 13:22 by Acts 1991, No. 74, §3, eff. June 25, 1991; Acts 1995, No. 610, §1, eff. July 1, 1995.

§567. Existing members of system

Any person covered by this Subpart who on August 2, 1976, is a member of the Louisiana State Employees' Retirement System shall have the option to avail himself of the provisions of this Subpart as though he were not such a member.

Added by Acts 1976, No. 518, §1; Redesignated from R.S. 13:23 by Acts 1991, No. 74, §3, eff. June 25, 1991.

§568. Vesting

Any person covered by this Subpart who becomes a member of the Louisiana State Employees' Retirement System shall be immediately vested with all the benefits, emoluments, and conditions of the system and also with the additional benefits provided by this Subpart.

Added by Acts 1976, No. 518, §1. Acts 1983, No. 674, §1; Redesignated from R.S. 13:24 by Acts 1991, No. 74, §3, eff. June 25, 1991

§569. Payment of benefits, source

Benefits payable pursuant to this Subpart shall be paid by the Louisiana State Employees' Retirement System, with respect to any judge or court officer described in R.S. 11:553.

Added by Acts 1976, No. 518, §1; Redesignated from R.S. 13:25 by Acts 1991, No. 74, §3, eff. June 25, 1991; Acts 1993, No. 328, §1, eff. July 1, 1993.

§570. Exemption from execution

Any annuity, retirement allowance or benefit, or refund of contributions, or any optional benefit or any other benefit paid or payable to any person under the provisions of this Subpart is exempt from state or municipal tax, and is exempt from levy and sale, garnishment, attachment or any other process whatsoever, except as provided in R.S. 11:292, and is unassignable.

Acts 1985, No. 29, §1; Redesignated from R.S. 13:25.1 by Acts 1991, No. 74, §3, eff. June 25, 1991;

– Revised Statutes –
§571. Applicability of other law

Acts 2010, No. 634, §1, eff. July 1, 2010.

§571. Applicability of other law

Except as otherwise provided in this Subpart the provisions of Chapter 1 of Subtitle II of Title 11 of the Louisiana Revised Statutes of 1950 shall be applicable to persons covered by this Subpart.

Added by Acts 1976, No. 518, §1; Redesignated from R.S. 13:26 by Acts 1991, No. 74, §3, eff. June 25, 1991.

Subpart B. Wildlife Agents

§581. Application; definitions

A. Any other provisions of Chapter 1 of Subtitle II of Title 11 or any other laws to the contrary notwithstanding, the retirement of wildlife agents employed by the enforcement division of the Louisiana Wildlife and Fisheries Commission whose first employment making them eligible for membership in one of the state systems occurred on or before December 31, 2010, who are members of Louisiana State Employees' Retirement System, and all benefits accruing from such membership, shall be governed by the provisions of this Subpart; provided that with respect to matters not specifically covered by the provisions of this Subpart, reference shall be made to applicable provisions of Chapter 1 of Subtitle II of Title 11. Beginning January 1, 2011, the provisions of this Subpart shall not be applicable to wildlife agents whose first employment making them eligible for membership in one of the state systems occurred on or after such date.

B. For purposes of this Subpart:

- (1) The words "member", "members", "employee", or "employees" shall mean wildlife agents of the enforcement division of the Louisiana Department of Wildlife and Fisheries, whose first employment making them eligible for membership in one of the state systems occurred on or before December 31, 2010, who are members of the Louisiana State Employees' Retirement System and shall not include any other members of said retirement system or members of any other retirement system to which the state makes contribution or otherwise.
- (2) The term "board of trustees" shall mean and refer to the board of trustees of the Louisiana State Employees' Retirement System created and provided for by Chapter 1 of Subtitle II of Title 11 of the Louisiana Revised Statutes of 1950.

Added by Acts 1972, No. 135, §2, eff. July 26, 1972; Redesignated from R.S. 56:681 by Acts 1991, No. 74, §3, eff. June 25, 1991; Acts 2003, No. 703, §1, eff. July 1, 2003; Acts 2010, No. 992, §1, eff. Jan. 1, 2011.

§582. Eligibility; benefits

A. (1) A member who has been employed as a wildlife agent with the enforcement division of the Louisiana Department of Wildlife and Fisheries for at least ten years immediately before application for retirement shall be eligible to apply for retirement if:

- (a) He was hired before July 1, 2003, and he has attained the age of fifty-five years; or

- (b) He was hired on or after July 1, 2003, and he has attained the age of sixty years; or
 - (c) He was hired before July 1, 2003, and he has twenty years of service credit regardless of age; or
 - (d) He was hired on or after July 1, 2003, and he has twenty-five years of service credit regardless of age.
- (2) Upon application to the board of trustees, a member shall receive a monthly benefit equal to the sum of:
- (a) Three percent of his average compensation for each year of service credit earned for all years before July 1, 2003, and
 - (b) Three and one-third percent of his average compensation for each year of service credit earned for all years beginning on or after July 1, 2003.
- (3) A member shall receive a retirement benefit for service credit resulting from conversion of leave in accordance with R.S. 11:424 at a rate of three and one-third percent of his average compensation provided the member's monthly benefit shall not exceed one hundred percent of his average compensation.
- (4) The retirement benefits provided by this Section shall not exceed the limitation provided in R.S. 11:444(B).
- B. However, no member shall be eligible to retire unless he is employed by the enforcement division of the Louisiana Wildlife and Fisheries Commission for at least ten years prior to his application for retirement, except as provided in this Subsection. With less than ten years service he shall be eligible to retire on two and one-half percent of the average compensation for the actual number of years served with the said enforcement division.
- C. (1) For purposes of election to participate in the Deferred Retirement Option Plan as provided in R.S. 11:447(C), a member shall be eligible to participate when he has accrued twenty-five years of service credit at any age or ten years at age sixty, of which at least ten years is within the enforcement division immediately before joining the plan. Any member who continues employment after participation in the Deferred Retirement Option Plan shall accrue an additional annual benefit equal to the sum of three percent of his average compensation for each continued year of service before July 1, 2003, and three and one-third percent of average compensation for each continued year of service on or after July 1, 2003, computed in accordance with R.S. 11:447 through 451 and not to exceed one hundred percent of the member's average compensation. Any member who participated in the Deferred

– Revised Statutes –
§583. Disability retirement

Retirement Option Plan before July 1, 1999, shall not be eligible for additional participation therein after attaining twenty-five years of service credit.

- (2) Nothing in this Section shall be construed to allow recalculation of benefits for any retiree or of base benefits as defined in R.S. 11:450(D) for any Deferred Retirement Option Plan participant or any person who continued in employment after completing participation in the plan; however, calculation of a supplemental benefit amount based upon the service credit for additional employment after termination in the plan shall be governed by R.S. 11:450(D).

Added by Acts 1972, No. 135, §2, eff. July 26, 1972. Amended by Acts 1975, No. 648, §2; Acts 1983, No. 674, §4; Redesignated from R.S. 56:682 by Acts 1991, No. 74, §3, eff. June 25, 1991; Acts 1999, No. 22, §1, eff. July 1, 1999; Acts 2003, No. 703, §1, eff. July 1, 2003

§583. Disability retirement

A. Eligibility for disability benefits, procedures for application for disability benefits, procedures for the certification of continuing eligibility for disability benefits, the authority of the board of trustees to modify disability benefits, and procedures governing the restoration to active service of a formerly disabled employee are specifically described and provided for in R.S. 11:201 through 11:224.

B. The board of trustees shall award disability benefits to eligible members who have been officially certified as disabled by the State Medical Disability Board. The disability benefit shall be determined as follows:

- (1) Any member who has become partially disabled or incapacitated because of continued illness or as a result of an injury received, even though not in line of duty, but is not eligible for retirement under the provisions of R.S. 11:582 may apply for retirement under the provisions of this Subsection. The employee shall be retired on seventy-five percent of the retirement benefit to which he would be entitled under R.S. 11:582 if he were eligible thereunder.
- (2) In case of total disability of any member resulting from injury received in line of duty, a monthly pension of sixty percent of his average compensation shall be paid to the disabled member under the provisions of this Subpart.

Added by Acts 1972, No. 135, §2, eff. July 26, 1972. Amended by Acts 1978, No. 727, §9, eff. Jan. 1, 1979; Redesignated from R.S. 56:683 by Acts 1991, No. 74, §3, eff. June 25, 1991.

§583.1. Continuation of benefit

Notwithstanding the provisions of R.S. 11:583 or any other provision of law to the contrary, any employee of the Department of Wildlife and Fisheries who was awarded disability benefits by action of the board of trustees after November 1, 1984, but before December 31, 1984, shall, regardless of whether such award was valid, continue to receive benefits under and subject to any restrictions in this Subpart.

Added by Acts 1992, No. 419, §1.

§584. Forced retirement

Any member who has become partially disabled or incapacitated because of continued illness or as a result of an injury received in or out of the line of duty and for any such reason is unable to perform the duties required of him or any member whose services have become unsatisfactory to the secretary of the Louisiana Department of Wildlife and Fisheries, shall, when requested to do so and if eligible under the provisions of this Subpart, make application for retirement. If the employee refuses to voluntarily retire, the secretary may request of the board that this employee be retired. Upon the board's receipt of this request, the employee shall automatically be retired by the board and thereafter shall receive the monthly retirement benefit to which he is entitled under the provisions of this Subpart.

Added by Acts 1972, No. 135, §2, eff. July 26, 1972. Amended by Acts 1981, No. 736, §1; Redesignated from R.S. 56:684 by Acts 1991, No. 74, §3, eff. June 25, 1991.

§585. Death benefits of surviving spouse

The surviving spouse of any member with twenty-five years or more of service with the department, or commission, whose death results from injury received in line of duty, shall be pensioned at seventy-five percent of his average compensation and on sixty percent of his average compensation if said employee had credit for less than twenty-five years of service with the department, or commission; provided, however, that said pension shall be paid only so long as she is eligible under the provisions of this Subpart.

Added by Acts 1972, No. 135, §2, eff. July 26, 1972; Redesignated from R.S. 56:686 by Acts 1991, No. 74, §3, eff. June 25, 1991.

§586. Death benefits of minor children

A. If there is no surviving spouse to receive the pension due a widow of any member under R.S. 11:585, minor children of the deceased member shall receive a monthly pension in the proportions set out as follows:

- (1) Four or more such children--sixty percent of the average compensation of the deceased member, equally divided among them.
- (2) Three such children--fifty percent of the average compensation of the deceased member, equally divided among them.
- (3) Two such children--forty percent of the average compensation of the deceased member, equally divided among them.
- (4) One such child--thirty percent of the average compensation of the deceased member.

§587. Death benefits of parents

- B. When a child no longer meets the definition of minor child as provided in R.S. 11:403, he shall receive no further benefits and the monthly pension shall be reduced by the amount previously paid to him.

Added by Acts 1972, No. 135, §2, eff. July 26, 1972; Redesignated from R.S. 56:687 by Acts 1991, No. 74, §3, eff. June 25, 1991; Acts 2015, No. 44, §1, eff. June 5, 2015.

§587. Death benefits of parents

If there is no surviving spouse and no minor children, a monthly pension of twenty-five percent of the average compensation of the deceased member shall be paid to the parent or parents of the deceased member, if they, or either of them, derived their main support from the member.

Added by Acts 1972, No. 135, §2, eff. July 26, 1972; Redesignated from R.S. 56:688 by Acts 1991, No. 74, §3, eff. June 25, 1991; Acts 2015, No. 44, §1, eff. June 5, 2015.

§588. Death not in performance of duty

The surviving spouse or heirs of any member whose death occurs other than in the performance of his duties shall receive the same pension rights to which said member would have been entitled had he at the time of his death retired on the basis of service and age as provided in R.S. 11:582.

Added by Acts 1972, No. 135, §2, eff. July 26, 1972; Redesignated from R.S. 56:689 by Acts 1991, No. 74, §3, eff. June 25, 1991.

§589. Death before age fifty-five

The surviving spouse, the minor children, or the dependent parents of any member who dies prior to attaining age fifty-five and whose death occurs other than in the line of duty, but who at the time of death had at least fifteen years of service credit, shall be entitled to the same pension rights to which said member would have been entitled had he, at the time of death, retired in accordance with the provisions of R.S. 11:582, but computed solely on the basis of the number of years of service to his credit and without regard to his attained age at time of death.

Added by Acts 1972, No. 135, §2, eff. July 26, 1972; Redesignated from R.S. 56:690 by Acts 1991, No. 74, §3, eff. June 25, 1991; Acts 2015, No. 44, §1, eff. June 5, 2015.

§590. Forfeiture for remarriage

- A. If the surviving spouse of a deceased member remarries while receiving the widow's pension under the provisions of this Subpart, she thereupon forfeits all rights to the widow's pension.
- B. If there are minor children, the pension previously paid to the widow, or the portion thereof to which the deceased member's minor children are entitled under the provisions of this Subpart, shall be paid to the children in the same manner and for the same length of time as provided in R.S. 11:586 for the payment of pensions to children.

§592. Retirement; purchase of firearm

- C. If there are no minor children, the parent or parents of the deceased member who derived their main support from him shall receive the pension provided for them under the provisions of R.S. 11:587.

Added by Acts 1972, No. 135, §2, eff. July 26, 1972; Redesignated from R.S. 56:691 by Acts 1991, No. 74, §3, eff. June 25, 1991; Acts 2015, No. 44, §1, eff. June 5, 2015.

§591. Death of retired member

- A. The surviving spouse, the minor children, or the dependent parents of any retired member who dies shall receive as a pension seventy-five percent of the monthly retirement pay which was being paid to the member prior to his death, in the following order of priority:

- (1) The surviving spouse.
- (2) The minor children of the deceased member, in the same manner and for the same length of time as provided in R.S. 11:588.
- (3) The parents of the deceased, if they furnish to the board satisfactory proof that they were deriving their main support from the deceased member.

- B. Remarriage of the surviving spouse acts as a forfeiture of her right to receive any further benefits hereunder.

Added by Acts 1972, No. 135, §2, eff. July 26, 1972; Redesignated from R.S. 56:692 by Acts 1991, No. 74, §3, eff. June 25, 1991; Acts 2015, No. 44, §1, eff. June 5, 2015.

§592. Retirement; purchase of firearm

Any member of the system who is a commissioned member of the Louisiana Department of Wildlife and Fisheries law enforcement division who has at least twenty years of active service and who retires under the provisions of R.S. 11:582 shall be entitled to purchase his firearm at fair market value, upon retirement, subject to the approval of the chief of the law enforcement division.

Added by Acts 1999, No. 911, §1.

Subpart C. Public Safety Services

§601. Application; definitions

- A. (1) There is hereby created a retirement component for public safety services which is a component of the Louisiana State Employees' Retirement System.
- (a) The provisions of Chapter 1 of Subtitle II of Title 11 of the Louisiana Revised Statutes of 1950, excluding this Subpart, shall be referred to as the "primary component".
- (b) The provisions of this Subpart shall be referred to as the "secondary component".
- (2) Notwithstanding any other provision of law to the contrary, and specifically the provisions of the primary component, the retirement of public safety services employees shall be governed by the provisions of the secondary component provided that, with respect to matters not specifically covered by the provisions of the secondary component, the applicable provisions of the primary component shall prevail.
- B. For purposes of the secondary component, the words "member" or "members" shall mean wardens, correctional officers, probation and parole officers, and security personnel who are employed by the Department of Public Safety and Corrections whose first employment making them eligible for membership in one of the state systems occurred on or before December 31, 2010, and who are or who upon enrollment as an employee would be members of the primary component, but shall not include any other members of the primary component or members of any other retirement system to which the state makes contributions. The provisions of this Subpart shall not apply to wardens, correctional officers, probation and parole officers, and security personnel employed by the Department of Public Safety and Corrections whose first employment making them eligible for membership in one of the state systems occurred on or after January 1, 2011.

Added by Acts 2001, No. 746, §1, eff. Dec. 31, 2001. Amended by Acts 2010, No. 992, §1, eff. January 1, 2011.

NOTE: See Acts 2004, No. 7, §6, providing that the Act shall not affect or change any law relative to retirement or retirement or survivor benefits of employees of the Dept. of Public Safety and Corrections.

§602. Eligibility for membership

- A. A member shall be eligible for retirement if he has:
- (1) Attained at least twenty-five years of service, regardless of age.
- (2) Attained at least ten years of service, at age sixty or thereafter.

§604. Survivor's benefit for members killed in the line of duty

- B. A member shall receive a maximum retirement allowance equal to three and one-third percent of average compensation for every year of creditable service, not to exceed one hundred percent of the member's average compensation.

Added by Acts 2001, No. 746, §1, eff. Dec. 31, 2001; Amended by Acts 2008, No. 259, §1, eff. June 17, 2008; Acts 2010, No. 992, §1, eff. January 1, 2011.

§603. In line of service disability

- A. Upon approval of a member's retirement based upon a total and permanent disability resulting solely from injuries sustained in the performance of his official duties, a member shall receive a disability benefit equal to forty percent of his average compensation regardless of years of service.
- B. If a member would have otherwise been eligible for a disability retirement under R.S. 11:461, then he shall receive the greater of either:
- (1) Forty percent of his average compensation; or
 - (2) The amount that he would have received under the regular disability provisions of the primary component, except the accrual rate of the secondary component shall apply to the member's eligible earned service credit.
- C. The procedures that apply to members of the primary component when applying for disability benefits as a result of an injury which occurred in the line of duty, the procedures for certifying the continuing eligibility for such benefits, the authority of the board of trustees to modify such benefits, and the procedures governing the restoration to active service of a formerly disabled employee, all as provided in the primary component, shall also be applicable to members of the secondary component.
- D. If a member's disability occurs for reasons other than in the performance of his duties, then the member shall be entitled to the same rights and benefits to which he would have been entitled if he had been a member of the primary component, except the accrual rate of the secondary component shall apply to the member's eligible earned service credit.

Added by Acts 2001, No. 746, §1, eff. Dec. 31, 2001.

§604. Survivor's benefit for members killed in the line of duty

- A. If a member's death occurs in the line of duty or is a direct result of an injury sustained while in the line of duty, then survivor benefits shall be payable to qualified survivors as provided for in this Section, except that a survivor shall be eligible for benefits under this Section without regard to the amount of time that the surviving spouse was married to the deceased officer and without regard to the amount of time that the deceased officer was a member of this system. This benefit is only payable if the injury or injuries were sustained while on active duty status.

§605. Transfer of other service credit

- B. When there is a surviving minor, handicapped, or mentally incapacitated child or children, the amount of the total benefit shall equal:
- (1) Seventy-five percent of the member's average compensation if the member had twenty-five or more years of service credit.
 - (2) Sixty percent of the member's average compensation if the member had less than twenty-five years of service credit.
- C. When there is a surviving spouse and no surviving child or children, the total benefit shall equal:
- (1) Seventy-five percent of the member's average compensation if the member had twenty-five or more years of service credit.
 - (2) Sixty percent of the member's average compensation if the member had less than twenty-five years of service credit.
- D. If there is a surviving spouse and a surviving child or children, one-third of the benefit shall be designated to the spouse and two-thirds shall be designated to the minor, handicapped, or mentally incapacitated child or children.
- E. The surviving spouse or children of any member whose death occurs other than in the performance of his duties shall have the same pension rights as provided for survivors of members of the primary component.

Added by Acts 2001, No. 746, §1, eff. Dec. 31, 2001.

§605. Transfer of other service credit

- A. Any member of the primary component who would otherwise be eligible for benefits from the secondary component, except that he was employed prior to January 1, 2002, shall have the right to irrevocably elect to become a member of the secondary component by submitting an application to the board of trustees in the same manner as members who transfer from another retirement system.
- B. (1) Any member who elects to transfer from the primary component to the secondary component pursuant to Subsection A of this Section shall have the option of transferring his service credit on an actuarial basis as if he was transferring service from another retirement system in accordance with R.S. 11:143 or he shall be given the option to transfer the service credit at the accrual rate earned in the primary component prior to the transfer and, thereafter, to begin earning the accrual rate and contributing at the employee contribution rate established for the secondary component, but only applicable to the years credited to his account after the transfer.
- (2) (a) Anyone who becomes a member of the secondary component, whether or not by actuarial transfer, shall be eligible to retire pursuant to the

§606. Deferred Retirement Option Plan participation

provisions of R.S. 11:602, if he is otherwise eligible, and based on the service credit acquired. However, the retirement benefit will be calculated on the applicable accrual rate if the service credit is not actuarially transferred.

- (b) A member shall be eligible to upgrade any service credit that was not actuarially transferred by paying the greater of the amount calculated in accordance with the actuarial cost provisions of R.S. 11:158 or the employee and employer contributions plus interest based on the member's current salary, that totally offsets the actuarial cost to upgrade any such service credit to the accrual rate established in the secondary component anytime prior to submitting an application to retire.
- C. An employee who would otherwise be eligible to become a member of the secondary component by virtue of accepting a position which would otherwise qualify him for such membership after January 1, 2002, may irrevocably elect, in writing, not to participate in the secondary component as a result of the employee having service credit in the primary component or another state or statewide system. The employee may only elect to remain a member of that system in which he has existing service credit.
- D. Notwithstanding the provisions of Subparagraph (B)(2)(a) of this Section, any member who is a probation and parole officer in the office of adult services of the Department of Public Safety and Corrections, who was employed on or before December 31, 2001, who elected to transfer from the primary component to the secondary component but who opted not to transfer his primary component service credit on an actuarial basis, who has not upgraded his service credit as permitted pursuant to Subparagraph (B)(2)(b) of this Section, and who retires or begins participation in the Deferred Retirement Option Plan on or after July 1, 2014, shall receive a benefit calculated using a three percent accrual rate for all creditable service in the system earned before the date the member transferred to the secondary component.

Added by Acts 2001, No. 746, § 1, eff. Dec. 31, 2001. Amended by Acts 2006, No. 770, § 1, eff. June 30, 2006; Acts 2014, No. 852, §1 eff. June 30, 2014.

§606. Deferred Retirement Option Plan participation

- A. A member cannot transfer into the secondary component while participating in the Deferred Retirement Option Plan, but must complete his participation in the Deferred Retirement Option Plan under the conditions existing at the time he commenced his Deferred Retirement Option Plan participation and will not have the option to upgrade any service that was credited to his account prior to his commencement of participation in the Deferred Retirement Option Plan.
- B. (1) If the member terminates his participation in the Deferred Retirement Option

§607. Repealed by Acts 2007, No. 414, § 2, eff. June 30, 2007

Plan on or after January 1, 2002, then his supplemental benefit shall accrue at the rate established in the secondary component at the employee contribution rate established for members of the secondary component.

- (2) If a member has completed his participation in the Deferred Retirement Option Plan prior to January 1, 2002, then that member will have the same option that a member has under R.S. 11:605, but only as to the service credited to his account after his participation in the Deferred Retirement Option Plan. A member of the secondary component who makes application for retirement to the system and leaves service on or before December 31, 2003, has the option of upgrading all or a portion of any service that was credited to the member's account prior to entering into the Deferred Retirement Option Plan by purchase made pursuant to R.S. 11:158, to upgrade any such service credit to the accrual rate established in the secondary component anytime prior to retirement. The payment shall completely offset any liability to the system for benefits attributed to the upgrade of the service credit. The balance in the Deferred Retirement Option Plan account and any contribution being made to the Deferred Retirement Option Plan account shall be unaffected by the recalculation of the retirement benefit.

Added by Acts 2001, No. 746, §1, eff. Dec. 31, 2001. Amended by Acts 2003, No. 1234, §1.

§607. Repealed by Acts 2007, No. 414, § 2, eff. June 30, 2007

§608. Retirement purchase of firearm

Any member of the State Employees' Retirement System who is a commissioned officer of the Louisiana Department of Public Safety and Corrections, division of probation and parole, who has at least twenty years of active service and who retires under the provisions of R.S. 11:441 or 602, as may be applicable, shall be entitled to purchase his firearm at fair market value upon retirement, subject to the approval of the director of the division of probation and parole.

Added by Acts 2008, No. 281, §1.

§609. Purchase of firearm; retired peace officer

Any peace officer, as defined by R.S. 40:2402(1)(a), who is employed by the Department of Public Safety and Corrections, office of state police, other than state troopers, has at least twenty years of active service, and retires under the provisions of R.S. 11:441 shall be entitled to purchase his firearm at fair market value, upon retirement, subject to the approval of the deputy secretary of public safety services of the Department of Public Safety and Corrections.

Added by Acts 2009, No. 173, §1.

Subpart D. Hazardous Duty Services Plan

§611. Creation of Hazardous Duty Services Plan

- A. The Hazardous Duty Services Plan is created within the Louisiana State Employees' Retirement System for persons whose first employment making them eligible for membership in a state system occurred on or after January 1, 2011, in hazardous duty positions as defined in this Subpart. Each member of an existing hazardous duty plan within the system may retain membership in that plan.
- B. Any other provisions of this Chapter or any other laws to the contrary notwithstanding, the retirement of hazardous duty services employees shall be governed by the provisions of this Subpart; however, if provisions of this Chapter cover matters not specifically addressed by the provisions of this Subpart or if any of the provisions of this Chapter are made applicable in this Subpart, then those provisions shall apply to members governed by this Subpart.

Added by Acts 2010, No. 992, §1, eff. January 1, 2011.

§612. Application; definitions

Terms not specifically defined in this Section but defined in R.S. 11:403 shall have the meanings provided in R.S. 11:403 unless a different meaning is clearly required by the context. For purposes of this Subpart:

- (1) "Average compensation" means the average annual earned compensation of a member for the sixty highest months of successive employment, or for the highest sixty successive joined months of employment where interruption of service occurred; however, average compensation for part-time employees who do not use sixty months of full-time employment for average compensation purposes shall be based on the base pay the part-time employee would have received had he been employed on a full-time basis. The earnings to be considered for the thirteenth through the twenty-fourth month shall not exceed one hundred fifteen percent of the earnings of the first through the twelfth month. The earnings to be considered for the twenty-fifth through the thirty-sixth month shall not exceed one hundred fifteen percent of the earnings of the thirteenth through the twenty-fourth month. The earnings to be considered for the thirty-seventh through the forty-eighth month shall not exceed one hundred fifteen percent of the earnings of the twenty-fifth through the thirty-sixth month. The earnings for the final twelve months shall not exceed one hundred fifteen percent of the earnings of the thirty-seventh through the forty-eighth month. The limitations on the computation of average compensation contained in this Paragraph shall not apply to any twelve-month period during which compensation increased by more than fifteen percent over the previous twelve-month period solely because of an increase in compensation by a uniform systemwide increase adopted by the state Department of Civil Service and approved by the governor or because of a pay adjustment enacted by the legislature.

- (2) “Member” or “members” shall include the following persons whose first employment making them eligible for membership in one of the state systems occurred on or after January 1, 2011:
- (a) Wildlife agents of the enforcement division of the Department of Wildlife and Fisheries.
 - (b) Wardens, correctional officers, security personnel, and probation and parole officers employed by the Department of Public Safety and Corrections.
 - (c) Employees of the bridge police section of the Crescent City Connection Division of the Department of Transportation and Development.
 - (d) Full-time law enforcement personnel, supervisors, and administrators who are employed with the Department of Revenue, office of alcohol and tobacco control, who are P.O.S.T.-certified, who have the power to arrest, and who hold a commission from such office.
 - (e) Peace officers, as defined by R.S. 40:2402(3)(a), employed by the Department of Public Safety and Corrections, office of state police, other than state troopers.
 - (f) Arson investigators employed by the office of state fire marshal who are P.O.S.T.-certified, who have the power to arrest, and who hold a commission from such office.
 - (g) Park rangers employed by the Department of Culture, Recreation and Tourism, office of state parks, who are P.O.S.T.-certified, who have the power to arrest, and who hold a commission from such office.
 - (h) Campus police officers employed by any institution of postsecondary education who are P.O.S.T.-certified, who have the power to arrest, and who hold a commission as required for employment as such officers.
 - (i) Hospital security officers employed by Louisiana State University Health Sciences Center, who are P.O.S.T.-certified, who have the power to arrest, and who hold a commission as required for employment as such officers.
 - (j) Investigators of the Department of Justice who are employed in positions required to be P.O.S.T.-certified.
 - (k) Investigators of the office of state inspector general who are employed in positions required to be P.O.S.T.-certified.
 - (l) All personnel employed in positions required to be P.O.S.T.-certified, who have the power to arrest, who hold a commission as required for employment in such positions, who are otherwise members of the

– Revised Statutes –
§614. Eligibility for retirement

Louisiana State Employees' Retirement System, and who are not members of any other retirement system.

- (2.1) In addition to the definition provided in Paragraph (2) of this Section, the term "member" shall include any commissioned employee of the Harbor Police Department of the Port of New Orleans first hired on or after July 1, 2014.
- (3) "Plan" means the Hazardous Duty Services Plan created by this Subpart for certain hazardous duty services employees within the Louisiana State Employees' Retirement System.
- (4) "Qualified survivors" means a surviving spouse married to the decedent for at least two years prior to the decedent's death, a minor child as defined in R.S. 11:403, and a handicapped or mentally incapacitated child.
- (5) "System" means the Louisiana State Employees' Retirement System.

Added by Acts 2010, No. 992, §1, eff. January 1, 2011; Amended by Acts 2014, No. 648, §1, eff. June 30, 2014.

§613. Eligibility for plan membership

- A. Each person who becomes an employee in state service in one of the positions defined in R.S. 11:612(2) or (2.1) shall become a member of the Hazardous Duty Services Plan of the system as a condition of employment.
- B. Notwithstanding the provisions of Subsection A of this Section, no person who participated in the Deferred Retirement Option Plan as a member of any other retirement plan in this system or who retired under the provisions of any other retirement plan in this system who is reemployed under Option 1 or Option 3 as provided in R.S. 11:416 shall be eligible for membership in the Hazardous Duty Services Plan.

Added by Acts 2010, No. 992, §1, eff. January 1, 2011; Amended by Acts 2011, No. 368, §1, eff. July 1, 2011; Amended by Acts 2014, No. 648, §1, eff. June 30, 2014.

§614. Eligibility for retirement

- A. Any member of this plan shall be eligible for retirement if he has:
 - (1) Twenty-five years or more of service, at any age.
 - (2) Twelve years or more of service, at age fifty-five or thereafter.
 - (3) Twenty years of service credit at any age, exclusive of military service and unused annual and sick leave, but any person retiring under this Paragraph shall have his benefit, inclusive of military service credit and allowable unused annual and sick leave, actuarially reduced. Any member retiring under this Paragraph who is in state service at the time of his retirement shall have

§615. Retirement benefit calculation

his benefit actuarially reduced from the earliest age that he would normally become eligible for a regular retirement benefit under Paragraph (1) or (2) of this Subsection if he had continued in service to that age. Any member retiring under this Paragraph who is out of state service at the time of his retirement shall have his benefit actuarially reduced from the earliest age that he would normally become eligible for a regular retirement benefit under Paragraph (1) or (2) of this Subsection based upon his years of service as of the date of retirement. Any employee who elects to retire under the provisions of this Paragraph shall not be eligible to participate in the Deferred Retirement Option Plan provided by R.S. 11:447 or the Initial Benefit Option provided by R.S. 11:446(A)(5).

- B. (1) Notwithstanding the provisions of R.S. 11:441(A)(2)(b) or any other provision of law to the contrary, any member of this plan who is not eligible for retirement under Subsection A of this Section may elect to retire under the provisions of R.S. 11:441(A)(2)(b)(i) with five years or more of service credit at age sixty or thereafter.
- (2) (a) The retirement benefit and survivor benefit provisions of this Subpart, including but not limited to R.S. 11:615 and 621, shall not apply to any member of this plan who elects to retire under the provisions of R.S. 11:441(A)(2)(b)(i).
- (b) Any member of this plan who elects to retire under the provisions of R.S. 11:441(A)(2)(b)(i) shall receive a retirement benefit equal to two and one-half percent of his average compensation for every year of creditable service.
- (c) Retirement benefits for any member of this plan who elects to retire under the provisions of R.S. 11:441(A)(2)(b)(i) shall be paid in accordance with R.S. 11:446.

Added by Acts 2010, No. 992, §1, eff. January 1, 2011. Amended by Acts 2011, No. 368, §1, eff. July 1, 2011

§615. Retirement benefit calculation

- A. Except as provided in Subsection B of this Section, a member shall receive a retirement benefit equal to three and one-third percent of average compensation for every year of creditable service in the Hazardous Duty Services Plan, not to exceed one hundred percent of the member's average compensation.
- B. If the member's last ten years of creditable service were not accrued exclusively in one of the hazardous duty positions defined in R.S. 11:612(2) or (2.1), he shall receive

– Revised Statutes –
§617. Disability retirement

a retirement benefit equal to two and one-half percent of his average compensation for the actual number of years of creditable service earned in a hazardous duty position.

- C. Retirement benefits for members who had service in nonhazardous duty or service under existing plans prior to entering the Hazardous Duty Services Plan shall upon retirement eligibility receive a retirement benefit for that prior service based on the applicable accrual rate when earned.

Added by Acts 2010, No. 992, §1, eff. January 1, 2011; Amended by Acts 2014, No. 648, §1, eff. June 30, 2014.

§616. Deferred Retirement Option Plan; Initial Benefit Option; Annual Cost-of-Living Adjustment Option

- A. A member who is eligible for regular retirement may elect to participate in the Deferred Retirement Option Plan in accordance with the provisions of R.S. 11:447 through 454, or the Initial Benefit Option provided by R.S. 11:446(A)(5).
- B. Any member of this plan may elect to participate in the Annual Cost-of-Living Adjustment Option provided by R.S. 11:446(A)(6).

Added by Acts 2010, No. 992, §1, eff. January 1, 2011. Amended by Acts 2011, No. 368, §1, eff. July 1, 2011

§617. Disability retirement

- A. Upon approval of a member's retirement based upon a total and permanent disability resulting solely from injuries sustained in the performance of his official duties, a member shall receive a disability benefit equal to seventy-five percent of his average compensation regardless of years of service. This benefit is payable only if the injury or injuries were sustained while on active duty status.
- B. If a member's disability occurs for reasons other than in the performance of his duties and the member has earned at least ten years of hazardous duty service credit, then the member shall be entitled to disability benefits under the provisions of R.S. 11:461(B)(1).
- C. The disability retirement procedures contained in R.S. 11:216 through 225 which are not in conflict with this Section shall apply to members.
- D. The provisions of R.S. 11:461(B)(4) shall apply to members.

Added by Acts 2010, No. 992, §1, eff. January 1, 2011.

§618. Survivors' benefits for members killed in the line of duty

§618. Survivors' benefits for members killed in the line of duty

- A. If a member's death occurs in the line of duty or is a direct result of an injury sustained while in the line of duty, survivor benefits shall be payable to qualified survivors as provided for in this Section, except that a survivor shall be eligible for benefits under this Section without regard to the amount of time that the surviving spouse was married to the deceased member and without regard to the amount of time that the deceased was a member of this plan. This benefit is payable only if the injury or injuries were sustained while on active duty status.
- B. If the member has a surviving spouse, minor, or handicapped or mentally incapacitated child or children, the amount of the total benefit shall equal eighty percent of the member's average compensation. The benefit shall be shared equally by the surviving spouse and children. When a child who is not handicapped or mentally incapacitated no longer meets the definition of minor child under R.S. 11:403, his benefit shall cease, and the remaining beneficiaries shall have their shares adjusted accordingly.
- C. The provisions of R.S. 11:472 through 477 concerning procedures for payment of survivor benefits which are not in conflict with this Section shall apply to members.
- D. The provisions of this Section shall not apply to any member of this plan who:
 - (1) Has participated in the Deferred Retirement Option Plan; or
 - (2) Is a retiree of the system who is reemployed under Option 1 or Option 3 as provided in R.S. 11:416.

Added by Acts 2010, No. 992, §1, eff. January 1, 2011. Amended by Acts 2011, No. 368, §1, eff. July 1, 2011

§619. Survivors' benefits for death other than in the line of duty

- A. The surviving spouse or children of any active member whose death occurs other than in the performance of his duties shall receive benefits as provided in R.S. 11:471.1.
- B. The provisions of R.S. 11:472 through 477 concerning procedures for payment of survivor benefits which are not in conflict with this Section shall apply to survivors of plan members.

Added by Acts 2010, No. 992, §1, eff. January 1, 2011.

§620. Transfer of other service credit

- A. Any member of this system or of another state or statewide system, who would otherwise be eligible for benefits under the plan except that his first employment making him eligible for membership in any state system occurred on or before

§620. Transfer of other service credit

December 31, 2010, and who has not participated in the Deferred Retirement Option Plan in the system of which he is a member and who is not a reemployed retiree of his system or a retiree of this system reemployed under Option 1 or Option 3 as provided in R.S. 11:416, shall have the right to irrevocably elect to become a member of the plan by submitting an application to the board of trustees to be effective on or after January 1, 2011.

B. Any member who elects to join the Hazardous Duty Services Plan from an existing system or plan shall have the option of:

(1) (a) Maintaining prior service credit in the existing system or plan pursuant to the provisions of that system or plan and accruing service credit and benefits in the Hazardous Duty Services Plan after the date he joins the plan.

(b) For any member who joins the Hazardous Duty Services Plan after July 1, 2011, if such member elects to maintain prior service credit in his existing system or plan and that election results in an actuarial cost to this system, then the member shall pay the system the amount of such actuarial cost prior to his retirement.

(2) (a) An internal actuarial transfer from plan to plan in accordance with the provisions of R.S. 11:143(C) and (D) in which the member transfers all of his service credit from each other system or plan and maintains prior service credit at the accrual rate at which it was earned in the existing system or plan prior to joining the Hazardous Duty Services Plan. In the event that the amount of funds transferred is less than the actuarial cost of the service transferred to the plan, the member transferring, except as otherwise provided in this Section, shall pay the deficit or difference including the interest thereon at the board-approved actuarial valuation rate of the system.

(b) In lieu of paying the deficit or difference plus interest, the member may at his option, but only at the time of transfer, be granted an amount of credit in the plan which is based on the amount of funds actually transferred plus any additional funds less than the deficit paid by the member.

(c) Except as otherwise provided in Subparagraph (d) of this Paragraph, a member who completes a transfer under the provisions of this Section shall have his retirement benefit calculated using the accrual rate of the system or plan from which he transferred based on the number of years transferred.

§620.1. Transfer of other service credit; Harbor Police Retirement Plan employees

- (d) A member choosing an internal actuarial transfer shall be eligible to upgrade the service credit that was actuarially transferred pursuant to this Subsection to the accrual rate of the Hazardous Duty Services Plan by paying an amount that totally offsets the increase in actuarial liability resulting from the upgrade in accordance with R.S. 11:158.
- C. (1) An employee who is a contributing member of any other plan in this or another state or statewide system who would otherwise be required to become a member of this plan as a condition of employment in a position which would otherwise qualify him for such membership on or after January 1, 2011, may elect at the time of his employment in such position to remain a contributing member of the last plan in this system of which he was a member or of such other system for which he remains eligible for membership.
- (2) For an employee who elects to remain a member of a plan in this system, applicable to members employed in hazardous duty positions, which plan was in existence on or before December 31, 2010, service credit earned on or after January 1, 2011, in one of the hazardous duty positions defined in R.S. 11:612(2) shall be deemed as service credit earned in a position covered by such plan.
- D. A member whose first employment making him eligible for membership in a state retirement system occurred on or before December 31, 2010, who elects to join this plan shall thereafter for purposes of all state retirement systems be treated as an employee whose first eligibility for membership occurred on or after January 1, 2011.
- E. Notwithstanding any other provision of law to the contrary, the premiums for health insurance coverage paid by any retiree participating in the Office of Group Benefits program who has transferred service credit to this plan from another plan in this or any other state system and has retired pursuant to R.S. 11:614(A)(1) or (2) shall be increased by an amount sufficient to pay for any increase in the employer's premiums resulting from his retirement pursuant to these provisions. Such increase in the retiree's premium shall be deducted from the retiree's monthly benefit and remitted to the Office of Group Benefits. The Office of Group Benefits shall offset the employer's premium payments by such amount.

Added by Acts 2010, No. 992, §1, eff. January 1, 2011. Amended by Acts 2011, No. 368, §1, eff. July 1, 2011

§620.1. Transfer of other service credit; Harbor Police Retirement Plan employees

- A. Any member of the Harbor Police Retirement Plan who would otherwise be eligible for benefits under this plan except that his first employment making him eligible for

§620.1. Transfer of other service credit; Harbor Police Retirement Plan employees

membership in the Harbor Police Retirement Plan occurred on or before June 30, 2014, and who has not participated in the Deferred Retirement Option Plan in the Harbor Police Retirement Plan shall have the right to irrevocably elect to become a member of this plan by submitting an application to the board of trustees to become effective on or after July 1, 2015.

B. Any eligible member who elects to transfer to the Hazardous Duty Services Plan from the Harbor Police Retirement Plan shall have the option of:

(1) Maintaining prior service credit in the Harbor Police Retirement Plan pursuant to the provisions of that plan and accruing service credit and benefits in the Hazardous Duty Services Plan after the date he joins the plan. If such election results in an actuarial cost to this system, the member shall pay the system the amount of such actuarial cost prior to his retirement.

(2) (a) An internal actuarial transfer from the Harbor Police Retirement Plan to this plan in accordance with the provisions of R.S. 11:143(C) and (D) in which the member transfers all of his service credit from the Harbor Police Retirement Plan and maintains prior service credit at the accrual rate at which it was earned in such plan prior to joining the Hazardous Duty Services Plan. If the amount of funds transferred is less than the actuarial cost of the service transferred, the member transferring, except as otherwise provided in this Section, shall pay the deficit or difference, including the interest thereon at the board-approved actuarial valuation rate of the system.

(b) In lieu of paying the deficit or difference plus interest, the member may, at his option but only at the time of transfer, be granted an amount of credit in this plan which is based on the amount of funds actually transferred plus any additional funds less than the deficit paid by the member.

(c) A member who completes a transfer under the provisions of this Paragraph shall have his retirement benefit calculated using the accrual rate of the plan from which he transferred based on the number of years transferred.

C. A member whose first employment making him eligible for membership in the Harbor Police Retirement Plan occurred on or before June 30, 2015, who elects to join this plan shall thereafter for purposes of all state retirement systems be treated as an employee whose membership is governed by the provisions of Act No. 992 of the 2010 Regular Session of the Legislature.

Added by Acts 2014, No. 648, §2, eff. July 1, 2015

§621. Survivors' benefits for former or retired members

§621. Survivors' benefits for former or retired members

- A. The surviving spouse of a deceased former member shall receive a benefit in an amount equal to fifty percent of the monthly retirement benefit that would have been payable to the decedent, provided all of the following conditions exist:
- (1) The decedent had terminated employment covered by this system prior to attaining the requisite age for retirement eligibility.
 - (2) The decedent has credit for at least twelve years of service in this system and has contributions credited to his account.
- B. The surviving spouse of a deceased retired member or Deferred Retirement Option Plan participant shall receive a benefit in an amount equal to seventy-five percent of the monthly retirement benefit that was being paid to the decedent on the date of death.
- C. (1) If there is no surviving spouse eligible to receive benefits pursuant to Subsection A or B of this Section, the children of the decedent shall be entitled to benefits as provided in R.S. 11:471.1.
- (2) As each minor child attains age eighteen, or age twenty-three if a student, he shall receive no further benefits payable pursuant to this Subsection.

Added by Acts 2010, No. 992, §1, eff. January 1, 2011. Amended by Acts 2011, No. 368, §1, eff. July 1, 2011

§631. Administration of the Harbor Police Retirement Plan

Subpart E. Hazardous Duty Services Plan

§631. Administration of the Harbor Police Retirement Plan

- A. With the exception of payment of permanent benefit increases, membership and benefits for the Harbor Police Retirement Plan shall be in accordance with the provisions of Subpart G of Part II of Chapter 3 of Subtitle IV of Title 11 of the Louisiana Revised Statutes of 1950; however, if provisions of this Chapter cover matters not specifically addressed by the provisions of Subpart G of Part II of Chapter 3 of Subtitle IV of Title 11 of the Louisiana Revised Statutes of 1950, the provisions of this Chapter shall apply to that plan. The provisions of Subpart G of Part II of Chapter 3 of Subtitle IV of Title 11 of the Louisiana Revised Statutes of 1950 are hereby made a part of this system. Eligibility for and payment of permanent benefit increases for members of the plan shall be governed by the laws and rules of this system.
- B. Notwithstanding any provision of law to the contrary, upon the merger of the Harbor Police Retirement System with this system, the assets of the Harbor Police Retirement System shall become part of the Louisiana State Employees' Retirement System trust and shall be managed in accordance with the laws governing this system.

Added by Acts 2014, No. 648, §2, eff. July 1, 2015.

LOUISIANA REVISED STATUTES

Title 11: CONSOLIDATED PUBLIC RETIREMENT SYSTEMS

Subtitle II. State Systems

Chapter 2. Teachers Retirement System of Louisiana

Part I. General Provisions

§701. Definitions (TRSL)

[Editors Note: This section is the definitions section of the laws governing the Teachers' Retirement System of Louisiana (TRSL) and has been included to provide the definition of "teacher".]

As used in this Chapter, the following words and phrases have the meanings ascribed to them in this Section unless a different meaning is plainly required by the context:

- (1) "Accumulated Contributions" means the sum of all the amounts deducted from the compensation of a member plus any interest which has been credited to his individual account in the annuity savings fund plus amounts credited to his account.
- (2) "Actuarial equivalent" means a benefit of equivalent value to the accumulated contributions, annuity, or benefits, as the case may be, computed on the basis of interest and mortality assumptions adopted in accordance with the provisions of R.S. 11:834.
- (3) "Annuity" means payments for life derived from the "accumulated contributions" of a member. All annuities shall be payable in equal monthly installments.
- (4) "Annuity Reserve" means the present value of all payments to be made on account of any annuity or benefit in lieu of any annuity computed upon the basis of mortality tables adopted by the board of trustees, and regular interest.
- (5) (a) "Average compensation" subject to the other provisions of this Paragraph, for any teacher whose first employment making him eligible for membership in one of the state systems occurred on or before December 31, 2010, means the average earnable compensation of a teacher for the three highest successive years of employment, or the highest three successive joined years of employment where interruption of service occurred. For any teacher whose first employment making him eligible for membership in one of the state systems occurred on or after January 1, 2011, "average compensation" means his average earnable compensation for the five

highest successive years of employment, or the highest five successive joined years where interruption of service occurred. The computation of such average compensation shall be in accordance with the following guidelines:

- (i) The amount for the first through the twelfth month shall not exceed the compensation for the immediately preceding twelve months by more than ten percent for a teacher whose first employment making him eligible for membership in one of the state systems occurred on or before December 31, 2010, or by more than fifteen percent for a teacher whose first employment making him eligible for membership in one of the state systems occurred on or after January 1, 2011.
- (ii) The amount for the thirteenth through the twenty-fourth month shall not exceed the lesser of the maximum allowable compensation amount or the actual compensation amount for the first through twelfth month by more than ten percent for a teacher whose first employment making him eligible for membership in one of the state systems occurred on or before December 31, 2010, or by more than fifteen percent for a teacher whose first employment making him eligible for membership in one of the state systems occurred on or after January 1, 2011.
- (iii) The amount for the twenty-fifth through the thirty-sixth month shall not exceed the lesser of the maximum allowable compensation amount or the actual compensation amount for the thirteenth through twenty-fourth month by more than ten percent for a teacher whose first employment making him eligible for membership in one of the state systems occurred on or before December 31, 2010, or by more than fifteen percent for a teacher whose first employment making him eligible for membership in one of the state systems occurred on or after January 1, 2011.
- (iv) The amount for the thirty-seventh through the forty-eighth month shall not exceed the lesser of the maximum allowable compensation amount or the actual compensation amount for the twenty-fifth through the thirty-sixth month by more than fifteen percent.
- (v) The amount for the final twelve months shall not exceed the lesser of the maximum allowable compensation amount or the actual compensation amount for the thirty-seventh through the forty-eighth month by more than fifteen percent.

- (b) The thirty-six or sixty months used for average compensation, as the case may be, cannot cover a period when the member receives more than three years or five years of service credit respectively.
- (c) (i) The limitations on the computation of average compensation in this Paragraph shall not apply to any of the twelve-month periods where compensation increased by more than the amount allowable in Subparagraph (a) of this Paragraph over the previous twelve-month period solely because of an increase in compensation by legislative act, by city/parish systemwide salary increase, or by a systemwide increase at a college or university.
- (ii) Any active member or retiree whose average compensation includes or would include earnable compensation received between June 30, 1995 and June 30, 1997, as the result of a legislative act, a city/parish systemwide salary increase, or a systemwide increase at a college or university shall have his average compensation calculated without regard to the limitations on the computation of average compensation imposed in this Paragraph for that period. The provisions of this Item shall only apply to any such member or retiree whose employer filed with this system on or before July 1, 1998, a written request or application for coverage under this Subparagraph.
- (iii) Any retiree to whom Item (ii) of this Subparagraph applies, whose benefits are based, or by reason of Item (ii) of this Subparagraph would be based, on a calculation of average compensation which includes earnable compensation between June 30, 1995, and June 30, 1997, shall have his benefits recalculated in accordance with this Subparagraph and, if an increase in benefits results, the retiree shall be paid such an amount to restore any prior benefits that would have been paid if the benefits had originally been calculated in accordance with this Subparagraph.
- (d) Provided, however, in any case where a classroom teacher changes employment to that of a classroom teacher in another parish, the amount for the twelve months of earnings in the position of a classroom teacher in the second parish of employment shall not exceed the compensation for the immediately preceding twelve months by more than twenty-five percent.
- (e) Notwithstanding any other provision of law to the contrary, “average compensation” shall not include any amount in excess of the limitation provided in R.S. 11:785.1.

- (6) “Beneficiary” means the eligible recipient of a pension, annuity, retirement allowance, or other benefit provided in this Chapter. A beneficiary shall be a natural person or the succession of a natural person, except as provided in R.S. 11:762(J).
- (7) “Board of Trustees” means the board provided for in Part V of this Chapter to administer the retirement system.
- (8) “Conduit individual retirement account” means an account which is covered by the provisions of Section 408(a) of the United States Internal Revenue Code, provided the account only contains assets rolled over to the account as an eligible rollover distribution from a qualified plan, plus earnings on those assets, but does not contain any other assets.
- (9) “Creditable Service” means “Prior Service” plus “Membership Service” for which credit is allowable as provided in Part III of this Chapter. A person may not obtain more than one year of service credit during any fiscal year.
- (10) “Earnable compensation” means the compensation earned by a member during the full normal working time as a teacher. Earnable compensation shall include any differential wage payment as defined by 26 U.S.C. 3401(h) (2) that is made by an employer to any individual performing qualified military service. Earnable compensation shall not include per diem, post allowances, payment in kind, hazardous duty pay, or any other allowance for expense authorized and incurred as an incident to employment, nor payments in lieu of unused sick or annual leave, nor retroactive salary increases unless such an increase was granted by legislative Act or by a city or parish systemwide salary increase, nor payment for discontinuation of contractual services, unless the payment is made on a monthly basis. If a member is granted an official leave and he makes contributions for the period of leave, earnable compensation shall not include compensation paid for other employment which would not have been possible without the leave. The board of trustees shall determine whether or not any other payments are to be classified as earnable compensation.
- (11) “Employer” means the state of Louisiana, any city, parish, or other local school board, the State Board of Elementary and Secondary Education, any board created by Article VIII of the Constitution of Louisiana, or any other agency of and within the state or a political subdivision by which a teacher is paid.
- (12) “Eligible rollover distribution” means a distribution as defined in R.S. 11:792(B).
- (13) “Excess benefit participant” means any member whose retirement benefit as determined on the basis of all qualified plans of the employer without regard to the limitations of R.S. 11:784.1 and comparable provisions of other qualified plans of the employer would exceed the maximum benefit permitted under Section 415 of the Internal Revenue Code.
- (14) “Fiscal year” means the period beginning July first of any year and ending

June thirtieth of the next succeeding year. Teachers employed by year-round schools shall receive a full year of service credit if they work all available days of the fiscal year.

- (14.1) “Internal Revenue Code” means the United States Internal Revenue Code of 1986, as amended.
- (15) “Maximum benefit” means the retirement benefit a member is entitled to receive from the system set forth in Part IV of this Chapter in any month after giving effect to R.S. 11:784.1 and any similar provisions of any other qualified plans of the employer designed to conform to Section 415 of the Internal Revenue Code.
- (16) “Medical board” shall mean the State Medical Disability Board.
- (17) “Member” means any teacher included in the membership of the system as provided in Part II of this Chapter.
- (18) “Membership Service” means service as a teacher rendered while a member of the retirement system.
- (19) “Minor child” means an unmarried child under the age of twenty-one years or an unmarried student under the age of twenty-three years who is the issue of a marriage of a member of this system, the legally adopted child of a member of this system, a child born outside of marriage of a female member of this system, or the child of a male member of this system if a court of competent jurisdiction has, pursuant to the provisions of the Civil Code rendered a judgment of filiation declaring the paternity of such member for the child. An unmarried child who acquires a mental disability or a total and permanent physical disability prior to age twenty-one, as certified by the medical board, shall be considered a “minor child” for the purposes of the benefit provisions of this Chapter and shall remain a “minor child” provided the medical board certifies he has a mental disability or a total and permanent disability and provided he remains unmarried.
- (20) “Natural person” means a human being.
- (21) “Pensions” means payments for life. All pensions shall be payable in equal monthly installments.
- (22) “Pension Reserve” means the present value of all payments to be made on account of any pension or benefit in lieu of any pension computed upon the basis of mortality tables adopted by the board of trustees, and regular interest.
- (22.1) “Plan Year” means the fiscal year.
- (23) “Prior Service” means service rendered prior to the date of establishment of the retirement system for which credit is allowable under Part III of this Chapter.

- (24) “Public School” means any school conducted within the state under the authority and supervision of a city, parish, or other local school board and any educational institution supported by and under the control of the state.
- (25) “Qualified plan” means a trust which is covered by the provisions of Section 401(a) of the United States Internal Revenue Code.
- (26) “Regular Interest” means interest compounded annually at such a rate as shall be determined by the board of trustees in accordance with R.S. 11:851.
- (27) “Retirement” means withdrawal from active service with a retirement allowance granted under the provisions of this Chapter.
- (28) “Retirement allowance” means the sum of the annuity and the pensions or any optional benefit payable in lieu thereof. These benefits are paid in advance on the first of the month that they are due.
- (29) “Retirement System” means the Teachers’ Retirement System of Louisiana as defined in R.S. 11:702.
- (30) “Service” means service as a teacher within the meaning of Paragraph (33) of this Section.
- (31) “Spouse” shall mean a person who is legally married to a member of this system and shall not include a person who is legally separated from a member of this system by a judgment of separation, unless such person has voluntarily reconciled with the member and which reconciliation is established by a court of competent jurisdiction.
- (32) “Student” means a person who satisfies all of the provisions of this Paragraph.
 - (a) The student must be enrolled in a high school, vocational-technical school, or a college or university, any of which must be duly accredited or approved by the appropriate educational agency of the state in which it is located.
 - (b) The student must be enrolled in a sufficient number of courses and classes in such institution to be classified as a full-time regular student under the criteria used by the institution in which he is enrolled. The educational institution shall provide written notification to the retirement system that the student is in full-time status.
- (33) (a) “Teacher”, except as provided in Subparagraph (b) of this Paragraph, shall mean any of the following:
 - (i) Any employee of a city, parish, or other local school board, any parish, city, or other local superintendent, or any assistant superintendent of public schools.

- (ii) (aa) Any president, vice president, dean, teacher, guidance counselor, or unclassified employee at any state college or university or any vocational-technical school or institution or special school under the control of the State Board of Elementary and Secondary Education, or any educational institution supported by and under the control of the state or any city, parish, or other local school board.
- (bb) Notwithstanding the provisions of Subitem (aa) of this Item, the person who is the director for the Louisiana State University Laboratory School on the effective date of this Subitem shall not be included in this definition.
- (iii) Any full-time unclassified employees of boards created by Article VIII of the Constitution of Louisiana who became employed on or after July 1, 1991, provided that such persons employed on and after July 1, 1991, who are members of the Louisiana State Employees' Retirement System shall remain members of the Louisiana State Employees' Retirement System.
- (iv) The president and staff of the Louisiana Federation of Teachers who were members of the Teachers' Retirement System prior to such employment.
- (v) (aa) The president or secretary and staff of the Louisiana Association of Educators.
- (bb) Notwithstanding the provisions of this Item or any other provision of law to the contrary, any non-bargaining employee whose initial effective date of employment occurred on or before June 30, 2001, shall be eligible to irrevocably elect to terminate his membership in this system, provided such election to terminate membership is exercised on or before September 30, 2001. Any non-bargaining employee whose initial effective date of employment occurs on or after July 1, 2001, shall have the irrevocable option to not participate in this system, provided that such option to not participate must be made within sixty days after the effective date of his employment and any such employee who fails to exercise the option not to participate shall become a participating member of this system. For purposes of this Subitem, the phrase "non-bargaining employee" shall mean any employee of the Louisiana Association of Educators whose employment is not covered by a collective bargaining agreement.

- (cc) Notwithstanding any other provision of law to the contrary, any non-bargaining employee who retires from the Teachers' Retirement System and later is reemployed in a position covered by the provisions of this Chapter shall not have his retirement benefits reduced or suspended during such reemployment.

- (vi) The employees of the Teachers' Retirement System of Louisiana, provided that persons employed by the Teachers' Retirement System on and after July 1, 1991, who are members of the Louisiana State Employees' Retirement System shall remain members of the Louisiana State Employees' Retirement System.

- (vii) The director and staff of the Associated Professional Educators of Louisiana.

- (viii) (aa) Except as otherwise provided in this Item, the director, secretary, staff members, or any other individual employed by the Louisiana High School Athletic Association on or before June 30, 2011.

(bb) Notwithstanding the provisions of this Item or any other provision of law to the contrary, any director, secretary, staff member, or any other individual employed by the Louisiana High School Athletic Association on or after July 1, 2000, and on or before June 30, 2011, who does not have a valid Louisiana teacher's certificate shall not be required to participate in the system.

(cc) Any individual employed by the Louisiana High School Athletic Association on or before June 30, 2011, who has a valid Louisiana teacher's certificate shall be required to participate in the system provided the person satisfies all other eligibility criteria set forth in this Chapter.

- (ix) For purposes hereof, staff personnel involved in the administration of a health and welfare program for the benefit of employees of a school board, which program is coordinated by the school board and a teacher association, and which staff personnel are so designated by the school board, shall be considered to be employees of the school board provided that such employees were previously members of this system.

- (x) The director and staff of the Louisiana Resource Center for Educators.
 - (xi) An alien holding a J-1 visa who is teaching in a Louisiana public school through a J-1 exchange visitor program.
 - (xii) All nonclassified employees of the state who are administrators, faculty members, or other professional employees at the New Orleans Center for Creative Arts.
 - (xiii) Any person who has retained membership in the system pursuant to R.S. 11:723.
 - (xiv) In all cases of doubt, the board of trustees shall determine whether any person is a teacher within the scope of the definition set forth in this Paragraph.
- (b) “Teacher” shall not include any of the following:
- (i) Any employee of a city, parish, or other local school board who is employed as a school bus driver, school janitor, school custodian, or school maintenance employee, school bus aide, monitor, or attendant, or anyone who actually works on a school bus helping with the transportation of school children.
 - (ii) (aa) Any classified state employee at any state college, university, vocational-technical school, or institution or special school under the control of the State Board of Elementary and Secondary Education, or any educational institution supported by and under the control of the state.

(bb) The person who is director for the Louisiana State University Laboratory School on July 11, 2005.
 - (iii) Any employees of the State Department of Education except that persons employed by the State Department of Education on and after July 1, 1991, who are members of this system shall remain members of this system.
 - (iv) Board members and employees of any board created by Article VIII of the Constitution of Louisiana, except as provided in Subparagraph (33)(a) of this Section.

(v) Aliens who teach in Louisiana based on J and F visas, except as provided in Item (a)(xi) of this Paragraph.

(c) Repealed by Acts 2010, No. 861, § 22.

(34) “Unrestricted benefit” means the monthly retirement benefit a member, or the spouse or child of a member, would have received under the terms of all qualified plans of the employer, except for the restrictions of R.S. 11:784.1 and any similar provisions of any other qualified plans designed to conform to Section 415 of the Internal Revenue Code.

Acts 1971, No. 5, §1; Acts 1972, No. 589, §1; Acts 1975, No. 339, §1; Acts 1975, Ex.Sess., No. 3, §2, eff. June 1, 1975; Acts 1978, No. 648, §1, eff. July 13, 1978; Acts 1978, No. 727, §3, eff. Jan. 1, 1979; Acts 1982, No. 174, §1; Acts 1982, No. 579, §1, eff. July 22, 1982; Acts 1983, No. 17, §1, eff. July 1, 1983; Acts 1984, No. 34, §1; Acts 1984, No. 471, §1; Acts 1985, No. 652, §1; Acts 1986, No. 786, §1; Acts 1986, No. 439, §1; Acts 1987, No. 591, §1; Acts 1988, No. 930, §1, eff. July 26, 1988; Acts 1989, No. 279, §1; Acts 1990, No. 631, §1, eff. July 1, 1990; Acts 1991, No. 216, §1, eff. July 1, 1991; Redesignated from R.S. 17:571 by Acts 1991, No. 74, §3, eff. June 25, 1991; Acts 1992, No. 160, §1, eff. June 5, 1992; Acts 1992, No. 212, §1, eff. July 1, 1992; Acts 1993, No. 597, §1, eff. July 1, 1993; Acts 1993, No. 739, §1; Acts 1995, No. 571, §1, eff. July 1, 1995; Acts 1995, No. 577, §1, eff. July 1, 1995; Acts 1995, No. 592, §1, eff. July 1, 1995; Acts 1995, No. 1268, §1, eff. June 29, 1995; Acts 1997, No. 78, §1, eff. July 1, 1997; Acts 1997, No. 812, §1, eff. July 1, 1997; Acts 1997, No. 1353, §1, eff. July 1, 1997; Acts 1999, No. 40, §1, eff. July 1, 1999; Acts 1999, No. 47, §1, eff. July 1, 1999; Acts 1999, No. 356, §1, eff. July 1, 1999; Acts 1999, No. 943, §1, eff. July 9, 1999; Acts 1999, No. 1330, §1, eff. July 12, 1999; Acts 2000, 1st Ex. Sess., No. 60, §1, eff. July 1, 2000; Acts 2001, No. 1046, §1, eff. June 28, 2001; Acts 2001, No. 1172, §1, eff. July 1, 2001; Acts 2001, No. 1174, §1, eff. July 1, 2001; Acts 2003, No. 536, §1, eff. July 1, 2003; Acts 2003, No. 559, §1, eff. June 27, 2003; Acts 2004, No. 26, §6; Acts 2005, No. 455, §1, eff. July 11, 2005; Acts 2009, No. 412, §1; Acts 2010, No. 525, §1, eff. June 24, 2010; Acts 2010, No. 637, §§1, 2, eff. July 1, 2010; Acts 2010, No. 861, §4; Acts 2010, No. 992, §1, eff. Jan. 1, 2011; Acts 2010, No. 999, §§1, 3; Acts 2011, No. 75, §1, eff. July 1, 2011; Acts 2012, No. 510, §1, eff. July 1, 2012. 2013, No. 220, §3, eff. June 11, 2013; Acts 2014, No 727, § 1, eff. July 1, 2014; Acts 2014, No. 811, § 1, eff. June 23, 2014.

NOTE: SEE ACTS 1990, NO. 355.

NOTE: SEE ACTS 1990, NO. 631, §2.

NOTE: See Acts 1999, No. 943, §2, relative to remedial nature of Act and retroactive application to July 1, 1995.

NOTE: See Acts 2001, No. 1172, §2 (2nd) relative to funding and accountability and see Acts 2001, No. 1172, §3 relative to nonseverability.

Chapter 5: Judges' Non-Contributory Plan

Part II. Payment of Benefits

§1381. Pension for former judges not eligible for retirement benefits

- A. Any person who has served as the judge of a court of record in this state for a period of at least eighteen years and who has at least one year of military service in the armed forces of the United States and who does not, upon July 31, 1974, qualify for retirement benefits under the unfunded judicial retirement plan of this state, and who is not a member of the Louisiana State Employees' Retirement System, shall be paid a monthly pension equal to two-thirds of the monthly salary he was receiving at the time he ceased to be a judge. Upon the death of any such person, his surviving spouse shall be entitled to receive the same pension for the remainder of her life. In the event any such person again assumes the office of judge of a court of record in this state, either by election or appointment, his pension authorized hereunder shall terminate. However, after he ceases to occupy such office of judge, he shall be entitled to receive a monthly pension equal to two-thirds of his monthly salary at the time he ceased to occupy such office. The payment of the pension herein authorized shall be made monthly on the warrant of the person entitled to the benefit and shall be paid from the same source from which the judge received his salary.
- B. Notwithstanding any other provision of law to the contrary, upon the death of any judge who continued to serve after attaining retirement eligibility under Subsection A of this Section, his surviving spouse shall be paid for the remainder of her life a monthly pension equal to two-thirds of the monthly salary the judge was receiving at the time of his death or retirement. The payment of the pension herein authorized shall be paid monthly on the warrant of the person entitled to the benefit and shall be paid from the same source from which the judge received his salary.

Added by Acts 1974, No. 305, §1. Amended by Acts 1982, No. 373, §1, eff. July 20, 1982. Acts 1983, No. 239, §1, eff. June 30, 1983; Acts 1991, No. 902, §1, eff. July 23, 1991; Redesignated from R.S. 13:8 by Acts 1991, No. 74, §3, eff. June 25, 1991.

Chapter 7: Cash Balance Plan for State Retirement Systems

[Editor’s Note: The provisions of Act 483 of the 2012 Regular Legislative Session were enacted in violation of Article X, § 29(F) of the Louisiana Constitution. Those provisions have been intentionally omitted for clarity.]

Subtitle IV. Municipal and Parish Systems

Chapter 3. Policemen’s Pension and Relief Funds

Part II. Pension and Relief Funds in Particular Cities

Subpart G. Harbor Police Retirement Plan (Port of New Orleans) in the Louisiana State Employees’ Retirement System

§3681. Name and date of establishment

A retirement plan is hereby established and placed under the management of the Board of Trustees for the purpose of providing retirement allowances and other benefits under the provisions of this Subpart for Commissioned Members of the Harbor Police Department of the Port of New Orleans hired on or before June 30, 2014.

Added by Acts 1971, No. 80, § 1, designated by Acts 1991, No. 74, §3, eff. June 25, 1991; Acts 2014, No. 648, §2 eff. June 30, 2014.

§3682. Definitions

The following words and phrases, as used in this Subpart, unless expressly indicated to the contrary or unless a different meaning is plainly required by context, shall have the following meanings:

- (1) “Accumulated contribution” means the sum of all the amounts deducted from the compensation of a member and credited to his individual account in the Employee Savings Account established in R.S. 11:532, together with regular interest thereon as provided in R.S. 11:3688.
- (2) “Actuarial equivalent” means a benefit of equivalent value to the accumulated contributions, annuity, or benefits, as the case may be, computed upon the basis of such interest and mortality assumptions as are adopted by the board or provided in law.
- (3) “Annuity reserve” means the present value of all payments to be made on account of any annuity, or benefit in lieu of any annuity, computed upon the basis of such mortality tables as shall be adopted by the Board of Trustees, and regular interest.
- (4) (a) “Average compensation” for the limited purpose of applying Section 415(b) of the Internal Revenue Code, means the average compensation earned by a member for the period of three consecutive years during which the member was an active member of the plan and had the greatest aggregate compensation from the employer.

§3682. Definitions

- (b) “Compensation” for purposes of this Paragraph, means the total compensation reportable by the state of Louisiana, its agencies, or its political subdivisions as income to the member for the reported year. However, for the limited purpose of this Paragraph, “compensation” shall specifically exclude amounts not includable or reported in the member’s gross income for federal tax purposes pursuant to the provisions of Sections 125 and 414(h) of the Internal Revenue Code or any other provision of federal law, such as deferred compensation contributions.
- (5) “Average final compensation” means the average annual earned compensation of an employee for any period of thirty-six successive or joined months of service as an employee during which the said earned compensation was the highest. In case of interruption of employment, the thirty-six-month period shall be computed by joining employment periods immediately preceding and succeeding the interruption.
- (6) “Beneficiary” means any person designated to receive a pension, an annuity, a retirement allowance, or other benefit as provided by this Subpart.
- (7) “Board of trustees” or “board” means the board provided for in R.S. 11:511.
- (8) “Creditable service” means service for which credit is allowable as provided in R.S. 11:3684.
- (9) “Defined benefit plan” means a pension plan established and maintained by an employer primarily to provide systematically for the payment of definitely determinable benefits to employees over a period of years after retirement based upon factors such as years of service and compensation received by employees.
- (10) “Actuarial equivalent” means a benefit of equivalent value to the accumulated contributions, annuity, or benefits, as the case may be, computed upon the basis of such interest and mortality assumptions as are adopted by the board or provided in law.
- (11) “Direct rollover” means a payment by the system to the eligible retirement plan specified by the distributee.
- (12) “Distributee” means a member or former member. In addition, the member’s or former member’s surviving spouse, or the member’s or former member’s spouse or former spouse with whom a benefit or a return of employee contributions is to be divided pursuant to R.S. 11:291(B), are distributees with reference to an interest of the member or former member.
- (13) “Earned compensation” means the full amount of compensation earned by an employee for a given month, but shall not include overtime.

§3682. Definitions

- (14) “Eligible retirement plan” means an individual retirement account described in Section 408(a), an individual retirement annuity described in Section 408(b), an annuity plan described in Section 403(a), or a qualified trust described in Section 401(a), all of the Internal Revenue Code, that accepts the member’s eligible rollover distribution. However, in the case of an eligible rollover distribution to the surviving spouse, an eligible retirement plan is an individual retirement account or individual retirement annuity.
- (15) “Eligible rollover distribution” means any distribution of all or any portion of the balance to the credit of a member, except that an eligible rollover distribution does not include any distribution that is one of a series of substantially equal periodic payments not less frequently than annually, made for the life or life expectancy of the member or the joint lives or joint life expectancies of the member and the member’s designated beneficiary, or for a specified period of ten years or more, or any distribution to the extent such distribution is required under Section 401(a)(9) of the Internal Revenue Code, or the portion of any distribution that is not includable in gross income.
- (16) “Employee” means any commissioned member or employee of the Harbor Police Department of the Port of New Orleans prior to July 1, 2004, or any commissioned member of the Harbor Police Department of the Port of New Orleans on or after July 1, 2004 and hired on or before June 30, 2014.
- (17) “Employer” means the Board of Commissioners of the Port of New Orleans.
- (18) “Medical board” means the board of physicians provided for in R.S. 11:403.
- (19) “Member” includes any employees, as defined in Paragraph (16) of this Section, included in the membership of this plan as provided in R.S. 11:3683.
- (20) “Membership service” means service as an employee while a member of the Harbor Police Retirement System or this plan.
- (20.1) “Plan” means the Harbor Police Retirement Plan established in this Subpart and administered as a plan within the Louisiana State Employees’ Retirement System pursuant to R.S. 11:631.
- (21) “Port commission” means the Board of Commissioners of the Port of New Orleans.
- (22) “Prior service” means service rendered prior to August 1, 1971 for which credit is allowable as provided in R.S. 11:3684.
- (23) “Qualified participant” means a member of the system who first became a member before January 1, 1990.

- (24) “Retirement” means withdrawal from active service with a retirement allowance granted under the provisions of this Subpart.
- (25) “Retirement allowance” means any benefit paid to a member under R.S. 11:3685(A) or any optional benefit payable in lieu thereof.
- (26) “Retirement system” or “system” means the Louisiana State Employees’ Retirement System.
- (27) “Section 401(a)(17) employee” means an employee whose current accrued benefit as of a date on or after the first day of the first plan year beginning on or after January 1, 1996, is based on compensation for a year beginning prior to the first day of the first plan year beginning on or after January 1, 1996, that exceeded one hundred fifty thousand dollars.
- (28) “Service” means service rendered as an employee as described in Paragraph (16) of this Section.
- (29) Repealed by Acts 2014, No. 648, §3, effective July 1, 2015.
- (30) “Spouse” means that person who is legally married to the member on the member’s effective date of retirement or effective date of participation in the Deferred Retirement Option Plan, whichever is earlier.
- (31) “Survivor’s benefit” means any benefit paid to a survivor of a member under this Subpart.

Added by Acts 1971, No. 80 §2, designated by Acts 1991, No. 74, §3, eff. June 25, 1991; Acts 1998, 1st Ex. Sess., No. 97, §1, eff. May 5, 1998; Acts 2004, No. 621, §1, eff. July 5, 2004; Acts 2014, No. 648, §§1, 2, and 3, see Act for effective date.

§3683. Membership

The membership of the plan shall be composed as follows:

- (1) All persons who shall become employees as defined in R.S. 11:3682(16) after August 1, 1971, and on or before June 30, 2014, except those specifically excluded under Paragraph (3) of this Section, shall become members as a condition of their employment, provided they are under fifty years of age at the date of employment.
- (2) All persons who are employees as the term is defined in R.S. 11:3682(16) on August 1, 1971, shall become members as of that date unless within a period of thirty days next following, any such employee shall file with the Board of Trustees on a form prescribed by such board a notice of his election not to be covered in the membership of the system and a duly executed waiver of all present and prospective benefits which would otherwise inure to him on account of his participation in the retirement system.

- (3) (a) All persons who are employees as the term is defined in R.S. 11:3682(16) who are members of any fund or who are eligible for membership in any fund operated for the retirement of employees by the state of Louisiana, or by a city, parish, or other political subdivision of the state of Louisiana on August 1, 1971, shall cease to be members of such fund upon that date and all contributions made by these employees to the retirement system of which they are members before August 1, 1971, shall be transferred to the Harbor Police Retirement System and shall be accompanied by the transfer of all employer contributions previously made for their account to such retirement system. All such employees shall then become members of the Harbor Police Retirement System with full credit for all such service prior to August 1, 1971. Provided, however, that the provisions of this Paragraph shall not apply to any person electing not to become a member of this system.
- (b) Any employee who is employed on July 7, 2003, who has retired from service under any retirement system of this state partly or wholly financed by public funds, who is receiving retirement benefits therefrom, and who was prohibited from becoming a member of this system upon his initial employment solely on this basis shall become a member of this plan from the date of his initial employment provided he meets all other eligibility requirements; however, any such employee may purchase credit for previous service only in compliance with the provisions of R.S. 11:158 relating to actuarial calculation of purchase price.
- (4) Should any member, after becoming a member, be absent from service for more than five years and not be entitled to a deferred annuity as provided in R.S. 11:3685(A) hereof, or should he become a beneficiary or die, he shall thereupon cease to be a member.

Added by Acts 1971, No. 80, §3, designated by Acts 1991, No. 74, §3, eff. June 25, 1991; Acts 2003, No. 1255, §1, eff. July 7, 2003; Acts 2004, No. 621, §1, eff. July 5, 2004; Acts 2010, No. 1025, §1, eff. July 1, 2010; Acts 2014, No. 648, §1, 2, see Act for effective date.

§3684. Creditable service

- A. Immediately after August 1, 1971, the board of trustees shall request all information regarding members from the retirement system in which they have previously held membership. Upon verification of the statements of service the board shall issue a prior service certificate certifying to each member the length of prior service for which credit shall have been allowed on the basis of these certified statements of service. So long as membership continues a prior service certificate shall be final and conclusive for retirement purposes as to such service, provided that any member may, within one year from the date of issuance or modification of such certificate, request the board of trustees to modify or correct his prior service certificate.

- B. When membership ceases, such prior service certificate shall become null and void. Should the employee again become a member of the system, he shall enter the system as an employee not entitled to prior service credit, unless he is granted a disability allowance and returns to employment upon recovery. In such case he shall be given credit for all previous service including the time he draws disability benefits.
- C. Creditable service at retirement on which the retirement allowance of a member shall be based shall consist of the membership service rendered by him since he last became a member, and, also, if he has a prior service certificate which is in full force and effect, the amount of service certified on his prior service certificate.
- D. Anything in this Subpart to the contrary notwithstanding, any person who shall have been an employee as defined in R.S. 11:3682(16) any time subsequent to September 16, 1940, who shall have entered the armed forces of the United States during time of war or have been inducted into said forces in time of peace subsequent to said date, shall be entitled to prior service credit for the period that he served in the armed forces of the United States, not to exceed four years, provided he is not granted credit for such service in any other retirement system, and provided he becomes a member of this system on August 1, 1971.
- E. Conversion of annual and sick leave to retirement credit. As used in this Subsection, the term “unused sick leave and unused annual leave” shall mean that portion of accrued leave which exceeds the maximum amount of accrued leave payable in accordance with state civil service provisions.
 - (1) At the time of regular retirement of any member, after having been paid for the number of hours of annual leave payable in accordance with state civil service provisions, he shall be given credit for all unused sick and unused annual leave as creditable service to be used in computing his retirement benefits.
 - (2) Any member participating in the deferred retirement option plan on July 1, 2008, or any member thereafter choosing to enter the deferred retirement option plan shall have the following options:
 - (a) Elect to use all unused sick leave and unused annual leave as creditable service in computing his deferred retirement option plan benefit.
 - (b) Elect to specify a portion of unused sick leave and unused annual leave to be used as creditable service in computing his deferred retirement option plan benefit.
 - (c) Elect to use none of his unused sick leave and unused annual leave as creditable service in computing his deferred retirement option plan benefit.

- (3) Upon completion of the term of the deferred retirement option plan and termination of employment, after having been paid for the number of hours of annual leave payable in accordance with state civil service provisions, such member shall have the following options:
 - (a) Be given credit for all unused sick leave and unused annual leave as creditable service to be used in computing an additional benefit to be added to the original deferred retirement option plan benefit.
 - (b) Request in writing that in lieu of the foregoing conversion of unused sick leave and unused annual leave to retirement credit, he be paid for such leave in a lump sum for the amount of leave that could otherwise be converted to retirement credit. Alternatively, such member who has unused sick leave or unused annual leave that if converted to retirement credit would exceed one hundred percent of the member's average compensation shall be entitled to be paid for such leave in excess of one hundred percent of average compensation at its actuarial value as if it were converted to retirement credit without regard to the one hundred percent cap. Under either of the two options authorized by this Subparagraph, the amount paid shall be the actuarial value of such leave if converted to retirement credit as determined by the retirement system's actuary. The cost for such actuarial determination shall be paid by the member. Payment shall be made only upon retirement.
 - (4) The provisions of Paragraphs (2) and (3) of this Subsection shall be applicable to any person who participates in the deferred retirement option plan on or after July 1, 2008.
 - (5) The provisions of this Subsection shall not be applicable to a member requesting retirement pursuant to the disability retirement provisions of this Subpart.
- F. Any member who has terminated membership in the plan for any reason and has withdrawn his contributions and who later is reemployed and becomes a member of the system, shall after eighteen months of additional service and membership, be eligible to obtain credit for his prior service in the system, provided that he pay back into the system the amount of the contributions which had been refunded to him plus compound interest from the date of the refund until the date of repurchase. The compound interest rate to be used in the computation of the amount the member must pay back into the system shall be the actuarially assumed interest rate in the most recent actuarial valuation

Added by Acts 1971, No. 80, §4, designated by Acts 1991, No. 74, §3, eff. June 25, 1991; Acts 2004, No. 621, §1, eff. July 5, 2004; Acts 2008, No. 502, §1, eff. July 1, 2008; Acts 2014, No. 648, §2, eff. July 1, 2015.

§3685. Benefits

- A. (1) (a) Any member of this plan who has completed at least twenty years of creditable service and attained the age of forty-five years, or any member who has completed at least twenty-five years of creditable service regardless of age, or any member who has completed at least ten years of service and attained the age of sixty years, or any member who has completed at least twelve years of creditable service and has attained the age of fifty-five years, shall be entitled to retire from service and upon such retirement shall be paid a retirement allowance equal to three and one-third percent of his average final compensation multiplied by his years of creditable service, not to exceed one hundred percent of his final salary.
- (b) Any member who has completed ten or more years of creditable service, with less than thirty years of creditable service, shall be entitled to leave his contributions in the retirement system and remain a member, and shall be entitled to a retirement benefit beginning at the age for which he qualified based on his years of creditable service.
- (2) Benefits shall be payable to survivors of a deceased member who had at least five years of creditable service and who dies before retirement as specified in the following:
- (a) The surviving eligible widow without children shall be paid monthly benefits equal to forty percent of the average final compensation of the member prior to his death; however, if the surviving spouse remarries, such benefits shall cease.
- (b) The surviving eligible widow of a deceased member who dies leaving one or more children under eighteen years of age shall be paid monthly benefits equal to sixty percent of the average final compensation of the member prior to his death; however, if the surviving spouse remarries or the surviving children reach the age of eighteen, such benefits shall cease. If the benefits cease due to the latter cause the surviving widow shall thereafter receive the benefits specified in Subparagraph (a) of Paragraph (2) of this Subsection.
- (c) If the deceased member was married and leaves surviving children under eighteen years of age but no surviving widow, the surviving children shall be paid monthly benefits equal to sixty percent of the average final compensation of the member prior to his death, to be paid until such time as the youngest child reaches the age of eighteen years.
- (d) (i) If a member dies leaving no surviving spouse or children, his mother and/or his father who were dependent upon him as their sole means of support shall be paid monthly benefits equal to forty percent of the average final compensation of the member prior to his death.

§3685. Benefits

- (ii) If a deceased member leaves a surviving child who has a total physical disability or mental disability, the child, regardless of age, shall be entitled to the benefits for children under eighteen years of age pursuant to Subparagraph (c) or (e) of this Paragraph if the child had a total physical disability or mental disability at the time of the death of the member, and the child is dependent upon his legal guardian for subsistence. The legal guardian shall provide adequate proof of physical or mental disability of such a surviving child and shall notify the board of any subsequent changes in the child's condition that cause the child to no longer be dependent upon the legal guardian and of any changes in the assistance being received from other state agencies. The board may require a certified statement of the child's eligibility status at the end of each calendar year.
 - (e) Provided that in the case of death of any member resulting from injury received in line of duty survivors' benefits shall be paid regardless of number of years of service and shall be sixty percent of his final salary payable to his widow until she remarries or to his surviving children under eighteen years of age if there is no eligible surviving widow; or to his surviving parents if there is no eligible surviving widow or child.
 - (f) Whenever a disability retiree dies, his or her survivor shall be paid a one-time lump sum benefit equal to six times the value of the monthly benefit payments being received by the retiree at the time of death.
- B. The provisions of this Subsection shall apply to those persons enrolled in the deferred retirement option plan prior to July 1, 1995.
- (1) In lieu of terminating employment and accepting a service retirement under this Subpart, any member of this plan who has not less than twenty years of creditable service and who is eligible to receive a service retirement allowance may elect to participate in a deferred retirement option plan as provided for below and defer the receipt of benefits in accordance with the provisions of this Section.
 - (2) For purposes of this Section, creditable service shall not include service credit reciprocally recognized under R.S. 11:142.
 - (3) The duration of participation in the deferred retirement option plan shall be specified and shall not exceed five years.
 - (4) A member may participate in the deferred retirement option plan only once.
 - (5) Upon the effective date of the commencement of participation in the deferred retirement option plan, active membership in the system shall terminate.

§3685. Benefits

Employer contributions shall continue to be payable by the employer during the member's participation in such plan, but payment of employee contributions shall cease upon the effective date of the member's commencement of participation in such plan. For purposes of this Section, compensation and creditable service shall remain as they existed on the effective date of commencement of participation in the deferred retirement option plan. The monthly retirement benefits that would have been payable, had the member elected to cease employment and receive a service retirement allowance, shall be paid into the deferred retirement option plan account. Upon termination of employment, deferred benefits shall be payable as provided by Paragraph (8) of this Subsection.

- (6) The deferred retirement option plan account shall earn interest not to exceed two percent less than the realized rate of investment return earned by the fund for that year. Prior to July 1, 2015, a person who participates in this program shall have credited to his DROP account the same annual cost of living increase that he would have received had the member been a retiree in the system as provided in Subsection C of this Section.
- (7) The deferred retirement option plan account shall not be subject to any fees or charges of any kind for any purpose.
- (8) Upon termination of employment at the end of the specified period of participation, a participant in the program shall receive, at his option, a lump sum payment from the account equal to the payment to the account; or a true annuity based upon his account; or he may elect any other method of payment if approved by the board of trustees. In the event a member elects to receive a true annuity, or any other method of payment approved by the board of trustees, funds will be transferred from the DROP account into the Retiree's Annuity Reserve account to provide for the annuity payments.
- (9) If a participant dies during the period of participation in the program, a lump sum payment equal to his account balance shall be paid to his named beneficiary, or if none, to his estate.
- (10) (a) If employment is not terminated at the end of the period specified for participation, payments into the account shall cease.
(b) Payments from the account shall not be made until employment is terminated, nor shall the monthly benefits being paid into the fund during the period of participation be payable to the individual until he terminates employment.
- (11) (a) If employment is not terminated at the end of the period specified for participation, he shall resume active contributing membership in the system.

§3685. Benefits

- (b) Upon termination of employment, the monthly benefits which were being paid to the fund shall begin to be paid to him.
 - (c) Upon termination of employment, he shall receive an additional retirement benefit based on his additional service rendered since termination of participation in the fund, using the normal method of computation of benefit, subject to the following:
 - (i) If his period of additional service is less than thirty-six months, the average compensation figure used to calculate the additional benefit shall be that used to calculate his original benefit.
 - (ii) If his period of additional service is thirty-six months or more, the average compensation figure used to calculate the additional benefit shall be based on his compensation during the period of additional service.
 - (iii) The option used shall be that applicable to the original benefit.
 - (iv) In no event shall the additional benefit exceed an amount which, when combined with the original benefit, equals one hundred percent of the average compensation figure used to compute the additional benefit.
- C. The provisions of this Subsection shall apply to those persons enrolled in the Deferred Retirement Option Plan on or after July 1, 1995.
- (1) As governed by the provisions of this Subsection, there exists as a part of this plan, an optional account known as the Deferred Retirement Option Plan, which may be cited as the “DROP”.
 - (2) The provisions of this Subsection are applicable with respect to those otherwise eligible members of the retirement plan whose election to participate in this DROP occurs on or after July 1, 1995.
 - (3) The purpose of the DROP is to allow, contractually, in lieu of immediate termination of employment and receipt of a service retirement allowance, continued employment for a specified period of time, coupled with the deferral of receipt of retirement benefits until the end of such period of participation, at which time employment is to cease.
 - (4) (a) Participation in the DROP is an option available to any member of this retirement system who is eligible to retire immediately with a service retirement allowance from this retirement system and has either of the following:

§3685. Benefits

- (i) Twelve years of creditable service, excluding unused sick and annual leave, and has attained the age of fifty-five.
 - (ii) At least twenty but not more than thirty years of creditable service, excluding unused sick and annual leave, in this retirement system.
- (b) For purposes of this Subsection, creditable service shall not include service in another retirement system which is reciprocally recognized by this retirement system under authority of R.S. 11:142.
- (5) The election to participate in the DROP shall be exercised on or before the applicant's attaining thirty years of creditable service, or the option to so participate is forfeited.
- (6) A member shall participate in the DROP only once.
- (7) The duration of participation in the DROP shall be for a specified period of time, which shall not exceed either of the following:
 - (a) Five years.
 - (b) A number of years which, when added to the number of years of creditable service for which the member has credit in this retirement system, equals thirty-five.
- (8) Should the participation period be interrupted by any of the following:
 - (a) interruption through no-fault dismissal
 - (b) reduction in work force
 - (c) job related disabilityupon re-establishment of membership, provided member has not received any distributions from the DROP account, member shall be immediately eligible for resumption of participation for the balance of the five-year maximum or the balance of his original DROP participation period, if any.
- (9) The member shall contractually agree with the retirement system to be bound by the provisions of this Subsection. The member shall therein specifically agree to cease employment at the end of the specified period of participation, and specifically agrees to the results stipulated for failure to abide by such terms of the contract.
- (10) Prior to sixty days before the end of the specified period of participation, the board of trustees shall give notice of same, by certified mail, return receipt requested, to the member.
- (11) Upon commencement of participation in the DROP, although the participant shall remain an active member of this retirement system, neither employee

§3685. Benefits

nor employer contributions shall be payable to the retirement system. Such contributions shall not be payable even if the member violates the terms of this contract and does not cease employment at the end of the period of participation as agreed, thereby assuming inactive membership status. No additional service or additional benefits, other than service credit or benefits attributable to sick leave and annual leave, shall be earned.

- (12) Upon commencement of participation, the service retirement allowance that would have been payable to the member had the member elected to cease employment and receive a service retirement allowance, shall be paid into the Deferred Retirement Option Plan Account in lieu of being paid to the member.
- (13) The Deferred Retirement Option Plan Account shall not earn interest during the period of participation. However, the board of trustees shall annually set a percentage rate, and its manner of compounding, to represent the interest rate that would be earned thereby if same did earn interest. If the member ceases employment at the end of the specified period of participation as contractually agreed, or dies during or at the end of the specified period of participation, a sum equal to the amount the individual account would have earned, if the representative interest rate, as compounded, had been applicable to such account, shall be added to this account. Thereafter, the account, if maintained as otherwise authorized by this Subsection, shall earn interest at a rate compounded, as set annually by the board of trustees. Such actual rate of interest and manner of compounding shall be equal to the representative rate and compounding in effect for the same period of time. If the member does not abide by the terms of the contract and cease employment at the end of the period of participation as contractually agreed, payments into the Deferred Retirement Option Plan Account shall immediately cease and the member shall immediately be paid a lump sum payment from the member's individual account balance in the Deferred Retirement Option Plan Account equal to its balance, without the addition of any sum representing interest, and such member's account shall be terminated. Such member shall not be considered as retired, but shall remain as a member of the retirement system, in an inactive status. Only upon actual cessation of employment shall the member be considered as a retiree and entitled to the receipt of retirement benefits. This account shall not be subject to any fees or charges of any kind for any purpose, except as otherwise provided herein.
- (14) If the member remains an employee for a specified period of participation in the DROP and then immediately thereafter terminates employment, the member shall become a retiree and shall receive, at the retiree's option, any one of the following:
 - (a) A lump sum payment from the retiree's individual account balance in the Deferred Retirement Option Plan Account equal to its balance.

§3685. *Benefits*

(b) A life annuity based upon the account balance.

(c) Any other method of payment if approved by the board of trustees.

The payments that were being made into the Deferred Retirement Option Plan Account in lieu of a retirement allowance shall thereafter be paid to the retiree.

(15) If the member terminates employment prior to the end of the specified period of participation, the member shall immediately become a retiree and shall receive, at the retiree's option, any one of the following:

(a) A lump sum payment from the retiree's individual account balance in the Deferred Retirement Option Plan Account equal to its balance.

(b) A life annuity based upon the account balance.

(c) Any other method of payment if approved by the board of trustees.

The payments that were being made into the Deferred Retirement Option Plan Account in lieu of a retirement allowance shall thereafter be paid to the retiree.

(16) If the member dies during the period of participation and the member's named beneficiary is the member's surviving spouse with whom the member was legally married at the time of the member's death, the named beneficiary shall receive, at the beneficiaries option, any one of the following:

(a) A lump sum payment from the retiree's individual account balance in the Deferred Retirement Option Plan Account equal to its balance.

(b) A life annuity based upon the account balance.

(c) Any other method of payment if approved by the board of trustees.

Normal survivor benefits payable to survivors of retirees shall be payable.

(17) If the member dies during the period of participation and the member's named beneficiary is someone other than the member's surviving spouse to whom the member was legally married at the time of the member's death, the named beneficiary shall receive a lump sum payment equal to the member's individual account balance in the Deferred Retirement Option Plan Account. Normal survivor benefits payable to survivors of retirees shall be payable.

(18) If the member dies during the period of participation and a beneficiary was not named, the member's estate shall receive a lump sum payment equal to the member's individual account balance in the Deferred Retirement Option Plan Account. Normal survivor benefits payable to survivors of retirees shall be payable.

§3685.1. Limitations on payment of benefits

D. Repealed by Acts 2014, No. 648, §3, effective July 1, 2015

E. The benefits provided in this Section shall not be retroactive to any period. Further adjustments in benefits may be made each July first after at least a full year has elapsed after benefits began, subject to the limitations contained herein.

Added by Acts 1971, No. 80, §5, designated by Acts 1991, No. 74, §3, eff. June 25, 1991; Acts 1992, No. 287, §1; Acts 1992, No. 494, §1; Acts 1993, No. 161, §1; Acts 1993, No. 370, 1; Acts 1995, No. 901, §1; Acts 1995, No. 903, §1; Acts 1998, 1st Ex. Sess., No. 97, §1, eff. May 5, 1998; Acts 2003, No. 1255, §1, eff. July 7, 2003; Acts 2004, No. 621, §1, eff. July 5, 2004; Acts 2008, No. 499, §1, eff. July 1, 2008; Acts 2008, No. 723, §1, eff. July 1, 2008; Acts 2014, No. 648, §§2, 3, eff. July 1, 2015.

§3685.1. Limitations on payment of benefits

A. (1) Unless the member has elected otherwise on or before December 31, 1983, the entire benefit of a member shall be distributed over a period no longer than any of the following periods:

(a) The member's life.

(b) The life of the member's designated beneficiary, if the member is married.

(c) The member's life expectancy.

(d) The joint life and last survivor life expectancy of the member and his designated beneficiary.

(2) If the member is married and his spouse survives him, the designated beneficiary for at least a qualified joint and survivor annuity and fifty percent of the Deferred Retirement Option Plan Account shall be his spouse, unless such spouse has consented to the contrary in writing before a notary public. For purposes of this Paragraph, "spouse" shall mean that person who is married to the member under a legal regime of community of acquets and gains on his effective date of retirement or effective date of participation in the DROP, whichever is earlier.

(3) If the member was a member on or before December 31, 1983, he shall be deemed to have made the election referred to in Paragraph (1) of this Subsection. If a member dies after the commencement of his benefits, the remaining portion of his benefit shall be distributed at least as rapidly as before his death. Payment of survivor benefits shall not be considered to violate this provision.

B. (1) If the member dies before his benefit has commenced, the remainder of such interest shall be distributed to the member's beneficiary within five years after the date of such member's death.

(2) However, the provisions of Paragraph (1) of this Subsection shall not apply:

§3685.2. Computation of retirement benefits

- (a) To any portion of a member's benefit which is payable to or for the benefit of a designated beneficiary, over the life of or over the life expectancy of the beneficiary, provided that the distributions begin no later than one year after the date of the member's death, or in the case of the member's surviving spouse, the date the member would have attained the age of seventy years and six months. If the designated beneficiary is a child of the member, for purposes of satisfying the requirement of Paragraph (1) of this Subsection, any amount paid to the child shall be treated as if paid to the member's surviving spouse if the amount would become payable to the surviving spouse, if alive, upon the child's reaching age eighteen or, if later, upon the child's completing a designated event. For purposes of this Subparagraph, a designated event shall be the later of the date the child ceases to have a disability or the date the child ceases to be a full-time student or attains age twenty-three, if earlier.
 - (b) If the distribution of the member's interest has commenced and is for a term certain over a period permitted in Subsection A of this Section.
 - (c) If the member has elected otherwise on or before December 31, 1983, or such later date to which such election period shall be subject under Internal Revenue Code Section 401(a).
- C. As to any benefit payable by the retirement system which is not optional as of December 31, 1983, the member shall be considered to have made the election referred to in Subsections A and B of this Section, if he were a member on or before such time.
- D. If by operation of law or by action of the board of trustees, a survivor benefit is payable to a specified person, the member shall be considered to have designated the person as an alternate beneficiary. If there is more than one such person, then the youngest child with a disability shall be considered to have been so designated, or, if none, then the youngest person entitled to receive a survivor benefit shall be considered to have been so designated. The designation of a designated beneficiary shall not prevent payment to multiple beneficiaries, but shall only establish the permitted period of payments.
- E. Payment in accordance with the survivor benefit provisions of R.S. 11:3685(A)(2) shall be deemed not to violate the provisions of Subsections A and B of this Section.
- F. This Section shall be effective for members of the system who complete any service under the system on or after July 1, 1995, with employers contributing to the system.

Added by Acts 1998, 1st Ex. Sess., No. 97, §1, eff. May 5, 1998; Acts 2011, No. 399, §1, eff. July 1, 2011; Acts 2014, No. 811, §4, eff. June 23, 2014.

§3685.2. Computation of retirement benefits

- A. (1) The normal retirement benefit of any member of the retirement system who is a qualified participant cannot exceed the greater of:

§3685.2. Computation of retirement benefits

- (a) The accrued benefit at retirement of the member computed under the provisions of R.S. 11:3685(A)(1) in effect on October 14, 1987. However, any election made by the member after October 14, 1987, which would have had the effect of reducing such benefits, such as an election under Section 125 or 457 of the Internal Revenue Code, shall be considered as not reducing the accrued benefit.
 - (b) The retirement benefit computed under the provisions of Section 415(b) of the Internal Revenue Code as if the qualified participant were not a qualified participant.
- (2) In the case of a merger or transfer of a member's assets and benefits from another plan maintained by an employer which joins this system, the accrued benefit under such predecessor plan shall be the accrued benefit referred to in Paragraph (1) of this Subsection, and the member shall be considered a qualified participant if his participation in such predecessor or merged plan commenced on or before January 1, 1990.
 - (3) All employers contributing to the system on behalf of their employees, and all employers who may join the system, as a condition of such joining, shall elect, and such election is hereby implemented, to have the limitation of Section 415(b) of the Internal Revenue Code other than Paragraph (2)(G) thereof and applied without regard to Paragraph (2)(F) thereof. Such limitations shall apply to all members who are not qualified participants.
- B. The annual retirement benefit of any member of the plan who is not a qualified participant, as defined by Paragraph (A)(2) of this Section, and which is not attributable to the member's after-tax employee contribution, cannot exceed the lesser of ninety thousand dollars or one hundred percent of such member's average compensation. For purposes of determining whether a member's benefit exceeds those limitations, the following shall apply.
- (1) Adjustment if benefit not single life annuity.
 - (a) If the normal form of benefit is other than a single life annuity, such form shall be adjusted actuarially to the equivalent of a single life annuity. This single life annuity shall not exceed the maximum dollar or percent limitations outlined in this Section.
 - (b) No adjustment is required for the following:
 - (i) Qualified joint and survivor annuity benefits.
 - (ii) Pre-retirement disability benefits.
 - (iii) Pre-retirement death benefits.
 - (iv) Post-retirement medical benefits.

§3685.2. Computation of retirement benefits

- (2) Adjustment if benefit commences before social security retirement age. If benefit distribution commences before social security retirement age, the actual retirement benefit shall not exceed the lesser of one hundred percent of the member's average compensation or the adjusted dollar limitation. The adjusted dollar limitation shall be the equivalent, determined in a manner consistent with reduction of benefits for early retirement under the Social Security Act, of ninety thousand dollars commencing at social security retirement age. For purposes of this adjustment, survivor benefits, that portion of a joint and survivor annuity which is the survivor benefit, and any other ancillary benefits shall not be taken into account.
- (3) Adjustment if benefit commences after social security retirement age. If benefit distribution commences after social security retirement age, the dollar limitation shall be increased to the equivalent of ninety thousand dollars commencing at social security retirement age.
- (4) Social security retirement age defined. For purposes of this Subsection, the term "social security retirement age" means the age used as the retirement age under 42 U.S.C. § 416(1) of the Social Security Act, except that such Section shall be applied:
 - (a) Without regard to the age increase factor.
 - (b) As if the early retirement age under 42 U.S.C. § 416 were sixty-two.
- (5) The interest rate used for adjusting the maximum limitations of Section 415(b) of the Internal Revenue Code shall be as follows:
 - (a) For benefits commencing before social security retirement age and for forms of benefits other than straight life annuity, the greater of five percent or the rate used to determine the actuarial equivalent.
 - (b) For benefits commencing after social security retirement age, the lesser of five percent or the rate used to determine actuarial equivalent.
- (6) Adjustment for less than ten years of participation or service.
 - (a) If retirement benefits are payable under this plan to a member who has less than ten years of participation in the plan, the dollar limitation referred to in the Introductory Paragraph of this Subsection shall be multiplied by a fraction, the numerator of which is the member's number of years of participation in the plan, not greater than ten, and the denominator of which is ten.
 - (b) If retirement benefits are payable under this plan to a member who has less than ten years of service with the employer, the percentage limitation referred to in the Introductory Paragraph of this Subsection and the dollar limitation referred to in Paragraph (9) of this Subsection shall be multiplied

§3685.2. Computation of retirement benefits

by a fraction, the numerator of which is the member's number of years of service with the employer, not greater than ten, and the denominator of which is ten.

- (7) Annual adjustment. The ninety thousand dollar limitation provided in this Subsection shall be adjusted annually to the maximum dollar limits allowable by the secretary of the Treasury of the United States under Section 415(d) of the Internal Revenue Code, such adjustments to take effect on the first day of each fiscal year following December 31, 1987. The adjustment shall not exceed the adjustment in effect for the calendar year in which the fiscal year of the system begins. The adjusted earlier limitation is applicable to employees who are members of the plan and to members who have retired or otherwise terminated their service under the plan with a nonforfeitable right to accrued benefits, regardless of whether they have actually begun to receive benefits. This system shall be considered specifically to provide for such post-retirement adjustments. For any limitation year beginning after separation from service occurs, the annual adjustment factor is a fraction, the numerator of which is the adjusted dollar limitation for the limitation year in which the compensation limitation is being adjusted and the denominator of which is the adjusted dollar limitation for the limitation year in which the member separated from service. No adjustment shall be permitted with respect to post October 14, 1987, limitations.
 - (8) If a member is a member or participant in more than one defined benefit pension plan maintained by the state, its agencies, or its political subdivisions, then such member's benefit, considered in the aggregate after taking into account the benefits provided by all such retirement plans, shall not exceed the limitations provided in this Subsection.
 - (9) The benefits payable with respect to a participant under any defined benefit plan shall be deemed not to exceed the limitations of Section 415(b) of the Internal Revenue Code if:
 - (a) The retirement benefits payable with respect to such participant under such plan and under all other defined benefit plans of the employer do not exceed ten thousand dollars for the plan year or for any prior plan years.
 - (b) The employer has not at any time maintained a defined contribution plan in which the participant participated.
 - (10) No benefit shall be considered to have exceeded the limitation provisions of this Section if the amount of the initial benefits did not exceed the limitations of Section 415(b) of the Internal Revenue Code, nor exceed any comparable provision in effect at the time of the initial payment, and the amount of any subsequent benefits payable in any year did not exceed the amount of the initial benefits, except for allowable cost-of-living adjustments.
- C. The board of trustees shall make no actuarial adjustment under this Section by reason of the member's retirement after normal retirement age.

§3685.3. Annual compensation limitation for determination of benefits

- D. The board of trustees shall adopt rules for the administration of the limits provided in this Section and the limitations under Section 415 of the Internal Revenue Code including adjustments in the annual dollar limitation to reflect any cost-of-living adjustments authorized by the Internal Revenue Code.
- E. (1) The provisions of this Section shall apply if any member is covered, or has been covered, by another plan maintained by the employer, including a qualified plan or a welfare benefit plan as defined in Internal Revenue Code Section 419(e), or an individual medical account as defined by Internal Revenue Code Section 415(l)(2).
- (2) If a member is or has ever been covered under more than one defined benefit plan maintained by the employer, the sum of the members annual benefit from all such plans shall not exceed the maximum amount permissible.
- (3) (a) If the employer maintains or at any time maintained one or more qualified defined contribution plans covering any member in this system, a welfare benefit fund as defined in Internal Revenue Code Section 419(e), or an individual medical account as defined by Internal Revenue Code Section 415(l)(2), the sum of the member's defined contribution fraction and defined benefit fraction shall not exceed one percent in any limitation year and the annual benefit otherwise payable to the member under this system shall be limited in order to satisfy such limitations. This provision shall no longer be effective for plan years beginning after December 31, 1999

Added by Acts 1998, 1st Ex. Sess., No. 97, §1, eff. May 5, 1998; Acts 2011, No. 399, §1, eff. July 1, 2011; Acts 2014, No. 648, §2, eff. July 1, 2015.

§3685.3. Annual compensation limitation for determination of benefits

- A. Unless otherwise provided, each Section 401(a)(17) employee's accrued benefit under this plan will be the greater of the following:
- (1) The employee's accrued benefit determined with respect to the benefit formula applicable for the plan year beginning on or after January 1, 1996, as applied to the employee's total years of service taken into account under the plan for purposes of benefit accruals.
- (2) The combined sum of the following:
- (a) The employee's accrued benefit as of the last day of the last plan year beginning before January 1, 1996, frozen in accordance with Section 1.401(a)(4) through (13) of the Code of Federal Regulations.
- (b) The employee's accrued benefit determined under the benefit formula applicable for the plan year beginning after January 1, 1996, as applied to the employee's years of service credited to the employee for plan years beginning on or after January 1, 1996, for purposes of benefit accruals.

- B. If an employee is not a Section 401(a)(17) employee, his accrued benefit under this plan shall not be based upon compensation in excess of the annual limit provided in Section 401(a)(17) of the Internal Revenue Code or any amendment thereto.

Added by Acts 1998, 1st Ex. Sess., No. 97, §1, eff. May 5, 1998.

§3686. Disability retirement

- A. Upon the application of a member to his employer, any member who has had at least five years of creditable service may be retired by the board of trustees, not less than thirty and not more than ninety days next following the date of filing such application, on a disability retirement allowance, provided that the medical board, after a medical examination, shall certify that he is mentally or physically incapacitated for the further performance of duty, that such incapacity is likely to be permanent, and that he should be retired.
- B. (1) Upon retirement for disability, a member shall receive a retirement allowance if he has attained the age of fifty-five years; otherwise, he shall receive a disability benefit which shall be computed as follows:
- (a) In case of total disability of any member resulting from injury received in line of duty, a monthly pension of sixty percent of his average salary shall be paid to the employee with a disability.
 - (b) Any member of the plan who has acquired a disability or incapacitating condition because of continued illness or as a result of any injury received, even though not in the line of duty, and who has been a member of the plan for at least five years but is not eligible for retirement under the provisions of R.S. 11:3685 may apply for retirement under the provisions of this Section.
 - (c) Any disability beneficiary of the Harbor Police Retirement Plan who is receiving disability benefits as a result of an injury sustained in the line of duty, and who, as a result of the disability, is permanently and completely confined to a wheelchair for movement of person, is permanently and legally blind as a result of an injury suffered in the line of duty, or as a result of his injury is an amputee to such a degree as would prevent him from serving as a law enforcement officer, shall be exempt from any provision of this Subpart or any other provision of law which provides for reduction of benefits if the recipient, subsequent to his disability, becomes gainfully employed.
- (2) The applicant shall accompany his application with certificates from at least three physicians certifying that he is unable to perform the duties required of him by the head of the division.

- (3) Thereafter, upon the recommendation of the head of the division and the approval of the board the employee shall be retired on forty percent of his average salary.
- C. Any amount received as a compensable wage or lump sum settlement under the provisions of the Worker's Compensation Laws or the Federal Social Security Act shall be applied as an offset against benefits received under the provisions of this Section, under rules prescribed by the Board. The Board shall have complete discretion and authority to determine the extent and application of the provisions of this subparagraph.
- D. (1) Once each year during the first five years following retirement of a member on a disability retirement allowance, and once in every three year period thereafter, the Board of Trustees may, and upon his application shall, require any disability beneficiary who has not yet attained the age of sixty years to undergo a medical examination, such examination to be made at the place of residence of said beneficiary or other place mutually agreed upon, by a physician or physicians designated by the Board of Trustees. Should any disability beneficiary who has not yet attained the age of sixty refuse to submit to at least one medical examination in any such year by a physician or physicians designated by the Board of Trustees, his allowance may be discontinued until his withdrawal of such refusal, and should his refusal continue for one year all his rights in and to his pensions may be revoked by the Board of Trustees.
- (2) Should the Medical Board report and certify to the Board of Trustees that such disability beneficiary is engaged in or is able to engage in a gainful occupation paying more than the difference between his retirement allowance and the average final compensation, and should the Board of Trustees concur in such report, then the amount of his pension shall be reduced to an amount, which, together with his annuity and the amount earnable by him, shall equal the amount of his average final compensation. Should his earning capacity be later changed, the amount of his pension may be further modified; provided, that the new pension shall not exceed the amount of the pension originally granted nor an amount, which, when added to the amount earnable by the beneficiary together with his annuity, equals the amount of his average final compensation. A beneficiary restored to active service at a salary less than the average final compensation shall not become a member of the retirement system.
- (3) Should a disability beneficiary under the age of fifty-five be restored to active service at a compensation not less than his average final compensation, his retirement allowance shall cease, he shall again become a member of the plan, and he shall contribute thereafter at the same rate he paid prior to disability. Any such prior service certificate on the basis of which his service

§3687. Optional allowance for superannuation retirement

was computed at the time of his retirement shall be restored to full force and effect, and in addition, upon his subsequent retirement he shall be credited with all his service as a member but should he be restored to active service on or after the attainment of the age of fifty years his pension upon subsequent retirement shall not exceed the sum of the pension which he was receiving immediately prior to his last restoration and the pension that he would have received on account of his service since his last restoration had he entered service at the time as a new entrant.

- E. Should a member cease to be an employee except by death or retirement under the provisions of this Subpart, he shall be paid such part of the amount of the accumulated contributions standing to his credit in the Employees' Savings Account established in R.S. 11:532 as he shall demand. Should a member die before retirement and not be entitled to survivors' benefits, the amount of his accumulated contributions standing to his credit in such account shall be paid to his estate or to such person as he shall have nominated by written designation, duly executed and filed with the Board of Trustees.

Added by Acts 1992, No. 286, §1; Acts 2014, No. 648, §2, eff. July 1, 2015; Acts 2014, No. 811, §4, eff. June 23, 2014.

§3687. Optional allowance for superannuation retirement

- A. With the provisions that no optional selection shall be effective in case a retiree dies within thirty days after retirement, and that such a retiree shall be considered as an active member at the time of death; until the first payment on account of any benefit becomes normally due, any member may elect to receive his benefit in an equal monthly retirement allowance payable throughout life, or he may elect to receive the actuarial equivalent at the time, of his retirement in a reduced equal monthly retirement allowance payable throughout life with the provision that:

- (1) Option 1. If he dies before he has received in annuity payments the present value of his member's annuity as it was at the time of his retirement, the balance shall be paid to his legal representatives or to such person as he shall nominate by written designation duly acknowledged and filed with the Board of Trustees.
- (2) Option 2. Upon his death, his reduced retirement allowance shall be continued throughout the life and paid to such person as he shall nominate by written designation duly acknowledged and filed with the Board of Trustees at the time of his retirement.
- (3) Option 2A. Upon his death, his reduced retirement allowance shall be continued throughout the life of, and paid to such person as he shall nominate by written designation duly acknowledged and filed with the Board of Trustees at the time of his retirement, provided that if the designated beneficiary predeceases

§3687. Optional allowance for superannuation retirement

the retiree, the retiree's reduced benefit shall change to the maximum benefit effective on the first day of the next month following the notification of the death of the designated beneficiary.

- (4) Option 3. Upon his death, one-half of his reduced retirement allowance shall be continued throughout the life of, and paid to such person as he shall nominate by written designation duly acknowledged and filed with the Board of Trustees at the time of his retirement.
 - (5) Option 3A. Upon his death, one-half of the reduced retirement allowance shall be continued throughout the life of and paid to such person as he shall nominate by written designation duly acknowledged and filed with the Board of Trustees at the time of his retirement, provided that if the designated beneficiary predeceases the retiree, the retiree's reduced benefit shall change to the maximum benefit effective on the first day of the next month following the notification of the death of the designated beneficiary.
 - (6) Option 4. Some other benefit or benefits shall be paid either to the member or to such person or persons as he shall nominate provided, such other benefit or benefits, together with the reduced retirement allowance shall be certified by the actuary to be of equivalent actuarial value to his retirement allowance, and approved by the Board of Trustees.
 - (7) Option 4A. Some other benefit or benefits shall be paid either to the member or to such person or persons as he shall nominate provided, such other benefit or benefits, together with the reduced retirement allowance, shall be certified by the actuary to be of equivalent actuarial value to his retirement allowance, and approved by the Board of Trustees, provided that if the designated beneficiary predeceases the retiree, the retiree's reduced benefit shall change to the maximum benefit effective on the first day of the next month following the notification of the death of the designated beneficiary.
- B. A retiree cannot change the designation of beneficiary unless the retirement was approved under Option 1.
- C. No change in the option elected by the member, other than to correct administrative error, shall be permitted after the application has been officially filed with the Board of Trustees.
- D. The retiree shall be responsible for notifying the retirement system of the death of the beneficiary, to furnish the beneficiary's death certificate, and to request the recomputation of benefits. Adjustment of benefits under this Subsection shall not be retroactive, and shall be effective on the first day of the next month following official approval of the application for recomputation of benefits.

Added by Acts 1971, No. 80, §7, designated by Acts 1991, No. 74, §3, eff. June 25, 1991; Acts 1995, No. 94, §1.

§3688. Actuary; duties and actuarial assumptions

§3688. Actuary; duties and actuarial assumptions

A. Repealed by Acts 2014, No. 648, §3, effective July 1, 2015.

B. Repealed by Acts 2014, No. 648, §3, effective July 1, 2015.

C. Repealed by Acts 2014, No. 648, §3, effective July 1, 2015.

D. (1) The Board of Trustees shall designate an actuary who shall be the technical advisor of the Board of Trustees on actuarial matters regarding the operation of the plan created by the provisions of this Subpart, and shall perform such other duties as are required in connection therewith.

(2) The Board of Trustees shall adopt all actuarial tables, assumptions, and rates. The actuary shall make valuations and determinations based on such tables, assumptions, and rates.

(3) At least once in each five-year period, and upon approval of the Board of Trustees, the actuary shall make an actuarial investigation into the mortality, service and compensation experience of the members and beneficiaries of the retirement system. The Board of Trustees shall adopt for the retirement system such mortality, service, and other tables and actuarial assumptions as shall be deemed necessary.

(4) (a) Unless different actuarial assumptions are formally adopted and disclosed, the following assumptions shall be used in determining actuarial equivalents:

(i) Interest shall be compounded annually at the rate of seven percent per annum.

(ii) Annuity rates shall be determined on the basis of the most current mortality table recommended by the Society of Actuaries for retirement systems.

(b) The Board of Trustees may authorize the use of interest and mortality rates in determining the actuarial equivalents which are different from the actuarial assumptions used for other purposes in this Subpart. Any change in such actuarial assumptions shall be considered a part of this plan and shall be considered an amendment to the provisions of this Section. In order to be effective, such change must be formally adopted by the Board of Trustees and disclosed to members of the plan.

E. Repealed by Acts 2014, No. 648, §3, eff. July 1, 2015.

Added by Acts 1971, No. 80, §8, designated by Acts 1991, No. 74, §3, eff. June 25, 1991; Acts 1995, No. 909, §1; Acts 1997, No. 10, §1; Acts 1998, 1st Ex. Sess., No. 97, §1, eff. May 5, 1998; Acts 2008, No. 805, §1, eff. July 1, 2008; Acts 2010, No. 928, §1, eff. July 1, 2010; Acts 2011, No. 399, §1, eff. July 1, 2011; Acts 2014, No. 648, §§2, 3, eff. July 1, 2015.

§3688.1. Amendments

- A. An action of the board of trustees with respect to employee contributions as provided in R.S. 11:154 and actuarial assumptions as provided in R.S. 11:3688(D), shall be considered amendments to the provisions of this plan.
- B. No amendment to the retirement system or plan shall operate to deprive any member of a benefit to which he is already entitled.

Added by Acts 1998, 1st Ex. Sess., No. 97, §1, eff. May 5, 1998; Acts 2014, No. 648, §2, eff. July 1, 2015.

§3689. Management of funds

- A. The Board of Trustees shall have full power to invest and reinvest such funds, subject to the prudent-man rule limitations regarding investments set forth in Subtitle I, Chapter 4, Part II, Subpart I of this Title and shall have full power to hold, purchase, sell, assign, transfer, and dispose of any of the securities and investments in which any of the funds created herein shall have been invested, as well as the proceeds of said investments and any monies belonging to said funds.
- B. Repealed by Acts 2014, No. 648, §3, eff. July 1, 2015.
- C. Repealed by Acts 2014, No. 648, §3, eff. July 1, 2015.
- D. Repealed by Acts 2014, No. 648, §3, eff. July 1, 2015.
- E. Repealed by Acts 2014, No. 648, §3, eff. July 1, 2015.

Added by Acts 1971, No. 80, §9, designated by Acts 1991, No. 74, §3, eff. June 25, 1991; Acts 2003, No. 1255, §1, eff. July 7, 2003; Acts 2004, No. 621, §1, eff. July 5, 2004; Acts 2014, No. 648, §3, eff. July 1, 2015.

§3690. Method of financing

- A. Employee contributions.
 - (1) The port commission shall make deductions from any salary or wages paid by them to any member of this plan equal to nine percent of the compensation paid him in each and every payroll.
 - (2) The deductions provided for herein shall be made notwithstanding that the minimum compensation provided for by law for any member shall be reduced thereby. Every member shall be deemed to consent and agree to the deductions made and provided for herein and shall receipt for his full salary or compensation, and payment of salary or compensation less said deductions shall be a full and complete discharge and acquittance of all claims and demands whatsoever for the services rendered by such person during the period covered by such payment, except as to the benefits provided under this Subpart. The employer shall certify to the board of trustees on each and every payroll or in such other manner as the board may prescribe, the amounts to be deducted; and each of such amounts shall be deducted, and when

deducted shall be paid into the Employees' Savings Account established in R.S. 11:532.

B. Employer contributions.

The port commission shall annually contribute an amount equal to the rate calculated pursuant to R.S. 11:102. Contributions shall be made monthly based on the same salary or wages used to calculate the members' contributions.

C. Repealed by Acts 2014, No. 648, §3, eff. July 1, 2015.

D. Repealed by Acts 2014, No. 648, §3, eff. July 1, 2015.

E. Collections of contributions.

The Port Commission shall cause to be deducted on each and every payroll of a member the contributions payable by such member as provided in this Subpart.

Added by Acts 1971, No. 80, §10, designated by Acts 1991, No. 74, §3, eff. June 25, 1991; Acts 2008, No. 493, §1, eff. July 1, 2008; Acts 2011, No. 399, §1, eff. July 1, 2011; Acts 2014, No. 648, §§2, 3, eff. July 1, 2015.

§3690.1. Repealed by Acts 2014, No. 648, §3, eff. July 1, 2015

§3690.2. Unclaimed funds, checks, and property; retention by system

Any unclaimed employee contributions, other funds, checks, or any other property held by the system that could be claimed by a member or prior member, the member's beneficiary, heirs, or estate shall never be presumed abandoned and shall be held continuously by the system for the benefit of such member, prior member, the member's beneficiary, heirs, or estate.

Added by Acts 1998, 1st Ex. Sess., No. 97, §1, eff. May 5, 1998; Acts 2014, No. 648, §2, eff. July 1, 2015.

§3691. Repealed by Acts 2014, No. 648, §3, eff. July 1, 2015

§3692. Protection against fraud

- A.** Any persons who shall knowingly make any false statement or shall falsify or permit to be falsified any record or records of the retirement system in any attempt to defraud such system as a result of such act shall be guilty of a misdemeanor, and on conviction thereof by any court of competent jurisdiction shall be punished by a fine not exceeding five hundred dollars or imprisonment in the parish jail not exceeding twelve months, or both such fine and imprisonment at the discretion of the court.
- B.** Should any change or error in the records result in any member or beneficiary receiving from the retirement system more or less than he would have been entitled to receive had the records been correct, the Board of Trustees shall correct such error, and as far as practicable, shall adjust the payment in such a manner that

the actuarial equivalent of the benefit to which such member or beneficiary was correctly entitled shall be paid.

Added by Acts 1971, No. 80, §12, designated by Acts 1991, No. 74, §3, eff. June 25, 1991; Acts 2014, No. 648, §2, eff. July 1, 2015.

§3693. Repealed by Acts 2014, No. 648, §3, eff. July 1, 2015

§3694. Repealed by Acts 2011, No. 399, §2, eff. July 1, 2011

§3695. Direct rollover

- A. Notwithstanding any other provision of law to the contrary that would otherwise limit a member's election under this Section, a member may elect, at the time and in the manner prescribed by the board of trustees, to have any portion of an eligible rollover distribution paid directly to an eligible retirement plan specified by the member in a direct rollover.
- B. An "eligible rollover distribution" is any distribution of all or any portion of the balance to the credit of a member, except that an eligible rollover distribution does not include:
- (1) Any distribution that is one of a series of substantially equal periodic payments, not less frequently than annually, made for the life or life expectancy of the member, or the joint lives or joint life expectancies of the member and the member's designated beneficiary, or for a specified period of ten years or more.
 - (2) Any distribution to the extent that such distribution is required under Section 401(a)(9) of the Internal Revenue Code.
- C. For the purposes of this Section, an "eligible retirement plan" shall mean any of the following:
- (1) An individual retirement account described in Section 408(a) of the Internal Revenue Code.
 - (2) An individual retirement annuity described in Section 408(b) of the Internal Revenue Code.
 - (3) An annuity plan described in Section 403(a) of the Internal Revenue Code.
 - (4) A qualified trust as described in Section 401(a) of the Internal Revenue Code, provided that such trust accepts the member's eligible rollover distribution.
 - (5) An eligible deferred compensation plan described in Section 457(b) of the Internal Revenue Code that is maintained by an eligible governmental employer, provided the plan contains provisions to account separately for amounts transferred into such plan.
 - (6) An annuity contract described in Section 403(b) of the Internal Revenue Code.

D. A “distributee” as provided for in this Section shall include:

- (1) A member or former member.
- (2) The member’s or former member’s surviving spouse, or the member’s or former member’s former spouse with whom a benefit or a return of employee contributions is to be divided pursuant to R.S. 11:291(B), with reference to an interest of the member or former spouse.
- (3) The member’s or former member’s non-spouse beneficiary, provided the specified distribution is to an eligible retirement plan as defined in Subsection C of this Section.

Added by Acts Acts 1998, 1st Ex. Sess., No. 97, §1, eff. May 5, 1998; Acts 2011, No. 399, §1, eff. July 1, 2011; Acts 2014, No. 648, §2, eff. July 1, 2015.

§3696. Errors and omissions

- A. Should any change or error in the records result in any member or beneficiary receiving from the retirement system more or less than he would have been entitled to receive had the records been correct, the board of trustees shall correct such error, and as far as practicable, shall adjust the payment in such a manner that the actuarial equivalent of the benefit to which such member or beneficiary was correctly entitled shall be paid.
- B. The corrected benefit amount shall be paid prospectively. When considering corrections to the account of members for past erroneous benefit payments, the collection of overpayments or payment of underpayments may be waived if (1) it is deemed by the trustees to not be cost-effective for the system, in relation to the amount of the overpayment or underpayment, to attempt to locate the beneficiary or estate of such members and collect the overpayment or pay the underpayment or (2) if it is deemed by the trustees to cause an extreme hardship on the member or beneficiary.

Added by Acts 2011, No. 399, §1, eff. July 1, 2011.

§3697. Effective dates

All benefit changes shall be prospective only unless stated otherwise in the Act. Statutory benefit changes shall not apply to members who have already retired.

Added by Acts 2011, No. 399, §1, eff. July 1, 2011.

§ 3698. Repealed by Acts 2014, No. 648, §3, eff. July 1, 2015.

MISCELLANEOUS PROVISIONS

Louisiana Revised Statutes

Title 9. Civil Code Ancillaries

Code Title I--of Successions

Chapter 2. Administration of Successions

§1515. Payment to surviving spouse or children of deceased; last wages due by employers

- A. Any employer may pay to the surviving spouse of a deceased employee any wages, sick leave, annual leave, or other benefits due to a deceased employee, provided neither spouse has instituted a divorce proceeding. In the event the deceased employee leaves no surviving spouse or if either spouse has instituted a divorce proceeding, the employer may pay the last wages and other benefits to any major child of the deceased employee.
- B. Before making such payment to the person requesting same, the employer shall require such person to execute an instrument before two witnesses which shall give the name, address, date and place of death of the deceased employee, the relationship of the person requesting payment to said employee, the name and address of the surviving spouse, or children, if any, of said deceased employee and such other information as the employer may require.
- C. The employer may make the payments referred to in this Section, without any court proceedings, order, or judgment authorizing the same and without determining whether or not any inheritance taxes may be due or whether the funds belong to the separate estate of decedent or to the community which existed between the decedent and the surviving spouse, but only if the employer forwards an affidavit stating the name of the deceased, the amount paid, the name of the recipient, and a copy of the release document substantiating the release to the secretary of the Department of Revenue within ten calendar days of the release of the funds.
- D. The execution of the instrument referred to in Subsection B and the receipt of such person for such payment shall constitute a full release and discharge of the employer for the amount paid and for all inheritance taxes which may be determined to be due. No person natural or juridical shall have any right or cause of action against such employer because of such payment. R.S. 47:2410 does not apply in such cases.
- E. The term “employer” as used in this Section includes the state and any of its political subdivisions which employed such deceased employee and owed him any wages, sick leave, annual leave, or other employment benefits at the time of death.

Added by Acts 1968, No. 253, §1. Amended by Acts 1974, No. 152, §1; Acts 1978, No. 96, §1; Acts 1992, No. 604, §1; Acts 2005, No. 24, §1, eff. June 9, 2005.

Code Title VI--Matrimonial Regimes

Chapter 1. Partition of Community Property

§2801. Partition of community property and settlement of claims arising from matrimonial regimes and co-ownership of former community property

A. When the spouses are unable to agree on a partition of community property or on the settlement of the claims between the spouses arising either from the matrimonial regime, or from the co-ownership of former community property following termination of the matrimonial regime, either spouse, as an incident of the action that would result in a termination of the matrimonial regime or upon termination of the matrimonial regime or thereafter, may institute a proceeding, which shall be conducted in accordance with the following rules:

- (1)
 - (a) Within forty-five days of service of a motion by either party, each party shall file a sworn detailed descriptive list of all community property, the fair market value and location of each asset, and all community liabilities. For good cause shown, the court may extend the time period for filing a detailed descriptive list. If a party fails to file a sworn detailed descriptive list timely, the other party may file a rule to show cause why its sworn detailed descriptive list should not be deemed to constitute a judicial determination of the community assets and liabilities. At the hearing of the rule to show cause, the court may either grant the request or, for good cause shown, extend the time period for filing a sworn detailed descriptive list. If the court grants the request, no traversal shall be allowed.
 - (b) Each party shall affirm under oath that the detailed descriptive list filed by that party contains all of the community assets and liabilities then known to that party. Amendments to the descriptive lists shall be permitted. No inventory shall be required.
- (2) Within sixty days of the date of service of the last filed detailed descriptive list, each party shall either traverse or concur in the inclusion or exclusion of each asset and liability and the valuations contained in the detailed descriptive list of the other party. For good cause shown, the court may extend the time period for a party to traverse or concur in the detailed descriptive list of the other party. The trial of the traverses may be by summary procedure. At the trial of the traverses, the court shall determine the community assets and liabilities; the valuation of assets shall be determined at the trial on the merits. The court, in its discretion, may by ordinary procedure try and determine at one hearing all issues, including those raised in the traverses.
- (3) The court may appoint such experts pursuant to Articles 192 and 373 of the Louisiana Code of Civil Procedure as it deems proper to assist the court in the settlement of the community and partition of community property,

§2801. Partition of community property and settlement of claims

including the classification of assets as community or separate, the appraisal of community assets, the settlement of the claims of the parties, and the allocation of assets and liabilities to the parties.

- (4) The court shall then partition the community in accordance with the following rules:
 - (a) The court shall value the assets as of the time of trial on the merits, determine the liabilities, and adjudicate the claims of the parties.
 - (b) The court shall divide the community assets and liabilities so that each spouse receives property of an equal net value.
 - (c) The court shall allocate or assign to the respective spouses all of the community assets and liabilities. In allocating assets and liabilities, the court may divide a particular asset or liability equally or unequally or may allocate it in its entirety to one of the spouses. The court shall consider the nature and source of the asset or liability, the economic condition of each spouse, and any other circumstances that the court deems relevant. As between the spouses, the allocation of a liability to a spouse obligates that spouse to extinguish that liability. The allocation in no way affects the rights of creditors.
 - (d) In the event that the allocation of assets and liabilities results in an unequal net distribution, the court shall order the payment of an equalizing sum of money, either cash or deferred, secured or unsecured, upon such terms and conditions as the court shall direct. The court may order the execution of notes, mortgages, or other documents as it deems necessary, or may impose a mortgage or lien on either community or separate property, movable or immovable, as security.
 - (e) In the event that the allocation of an asset, in whole or in part, would be inequitable to a party, the court may order the parties to draw lots for the asset or may order the private sale of the asset on such terms and conditions as the court deems proper, including the minimum price, the terms of sale, the execution of realtor listing agreements, and the period of time during which the asset shall be offered for private sale.
 - (f) Only in the event that an asset cannot be allocated to a party, assigned by the drawing of lots, or sold at private sale, shall the court order a partition thereof by licitation. The court may fix the minimum bids and other terms and conditions upon which the property is offered at public sale. In the event of a partition by licitation, the court shall expressly state the reasons why the asset cannot be allocated, assigned by the drawing of lots, or sold at private sale.

§2801. Partition of community property and settlement of claims

- B. Those provisions of a domestic relations order or other judgment which partitions retirement or other deferred work benefits between former spouses shall be considered interlocutory until the domestic relations order has been granted “qualified” status from the plan administrator and/or until the judgment has been approved by the appropriate federal or state authority as being in compliance with applicable laws. Amendments to this interlocutory judgment to conform to the provisions of the plan shall be made with the consent of the parties or following a contradictory hearing by the court which granted the interlocutory judgment. The court issuing the domestic relations order or judgment shall maintain continuing jurisdiction over the subject matter and the parties until final resolution.
- C. In the absence of an agreement between the parties for an extension of time or the granting by the court of an extension for good cause, if a party fails to comply with any time limit provided in this Section, upon motion of the other party or upon its own motion, the court may award reasonable attorney fees and court costs to the other party for the filing of or the response to the motion. If the court rules, pursuant to Subparagraph (A)(1)(a) of this Section, that the other party’s sworn detailed descriptive list be deemed to constitute the assets and liabilities of the community, then the court shall not award attorney fees and court costs to the other party.

Added by Acts 1982, No. 439, §1. Amended by Acts 1986, No. 225, §1; Acts 1992, No. 825, §1; Acts 1993, No. 28, §1; Acts 1995, No. 433, §2; Acts 1995, No. 1008, §1; Acts 1997, No. 35, §2; Acts 2001, No. 493, §1; Acts 2005, No. 415, §1.

NOTE: SEE ACTS 1986, NO. 225, §5.

Title 15. Criminal Procedure

Chapter 1. Code of Criminal Procedure Ancillaries

Part I. Indigent Defender Representation

§147. Powers, duties, responsibilities

- A. Except for the inherent regulatory authority of the Louisiana Supreme Court provided for in Article V, Section 5 of the Constitution of Louisiana regarding the regulation of the practice of law, the Louisiana Public Defender Board shall have all regulatory authority, control, supervision, and jurisdiction, including auditing and enforcement, and all power incidental or necessary to such regulatory authority, control, supervision, and jurisdiction over all aspects of the delivery of public defender services throughout the courts of the state of Louisiana.
- B. In addition to the powers and duties provided for in Subsection A of this Section, the board shall:
- (1) Employ an executive staff as provided for in R.S. 15:150 and regularly evaluate the performance of the executive staff.
 - (2) Adopt all rules necessary to implement the provisions of this Part as provided in R.S. 15:148 and in accordance with the Administrative Procedure Act.
 - (3) Review and approve the strategic plan and budget proposals submitted by the state public defender, regional directors, where applicable, and district public defenders on behalf of the districts. The board shall consider variations in public defense practices, past practices and procedures, and conditions unique to each district in evaluating the strategic plan and budget proposals on the district level.
 - (4) Make an annual report to the legislature regarding the state of the board's operations and the status of public defender services it regulates. Such report shall include at a minimum:
 - (a) Recommendations for all needed changes in the law regarding the board or any regulated activity.
 - (b) A complete report on the receipt and expenditure of all funds received by the board and the regional offices, where applicable, including district level data.
 - (c) Comprehensive workload data.

§147. Powers, duties, responsibilities

- (5) (a) Establish, and modify as necessary, a plan of organization to conduct the business of regulating and controlling the delivery of public defender services under its jurisdiction efficiently and thoroughly.
- (b) The plan of organization shall provide for the capacity to:
 - (i) Administer the granting of contracts.
 - (ii) Analyze and review investigative and audit reports and findings.
 - (iii) Provide for enforcement of board rules as is necessary to the efficient and thorough regulation and governance of public defender services under its jurisdiction.
- (6) Incur such expenses and obligations, within the fiscal limits available to the board, as are necessary to the efficient and thorough regulation and governance of the delivery of public defender services under its jurisdiction and establish and maintain an accounting system which complies with law.
- (7) Approve, prior to its presentation to the legislature and again after appropriation prior to allocation, the budget for the board.
- (8) Issue a written response to any formal request from the governor and the legislature or any committee thereof.
- (9) Appear before any committee of the legislature upon request of the president of the Senate, the speaker of the House, or the chairman of any legislative committee.
- (10) Review any proposal to create permanent staff positions and approve if deemed appropriate.
- (11) Prepare and submit to the Joint Legislative Committee on the Budget on or before March first of each year an annual financial report which outlines the expenditures of local, state, and federal funds for the previous calendar year for review by the Joint Legislative Committee on the Budget.
- (12) Draft, administer, and furnish reporting forms to the district public defender, which request detailed information of the district's workload, resources, employees, and expenditures for the previous fiscal year based on the uniform definition of a "case" as defined in R.S. 15: 174(C).
- (13) Collect, prepare, and submit an annual report to the legislative auditor.
- (14) Administer the DNA Testing Post-Conviction Relief for Indigents Fund as required under the provisions of Code of Criminal Procedure Article 926.1.

§147. Powers, duties, responsibilities

- (15) Arrange for locations, which have adequate space to accommodate the public, to conduct its meetings.
- (16) Adopt rules for the establishment of salary ranges for attorneys and support staff delivering public defender services, taking into consideration variations in public defense practices and procedures in rural, urban, and suburban districts as well as professional experience.

C. The board may:

- (1) Enter into a contract or contracts, on such terms and conditions as it deems advisable, with one or more attorneys licensed to practice law in this state, a consortia of lawyers, or an independent public defender organization qualified with the United States Internal Revenue Service for an exemption from federal income tax under Section 501(c) of the Internal Revenue Code to provide counsel for indigent defendants. The provisions of this Paragraph are subject to the intent of the Louisiana Public Defender Act that district public defender programs shall continue operating within the method of delivery of services in effect prior to April 30, 2007, and the board is prohibited from using its power to contract to change the structure of a local program, delivery method, or to terminate personnel without cause in violation of R.S. 15:165(C).
- (2) Establish advisory councils from among Louisiana residents to provide information and guidance regarding needs and concerns of particular localities. Such councils may be established at such times, for such duration, and under such circumstances, as the board deems appropriate.
- (3) Accept, receive, and use public or private grants, gifts, or donations, provided that such gifts, grants, and donations are not otherwise prohibited by law or rule.
- (4) Employ secretarial, clerical, and other such personnel as may be necessary in the operation of the business of the board and fix their compensation.
- (5) Enter into contracts in accordance with law for the purpose of maintaining and operating an office, or offices, and performing the functions authorized by law. The provisions of this Paragraph are subject to the intent of the Louisiana Public Defender Act that district public defender programs shall continue operating within the method of delivery of services in effect prior to April 30, 2007, and the board is prohibited from using its power to contract to change the structure of a local program, delivery method, or to terminate personnel without cause in violation of R.S. 15:165(C).

- D. (1) Prior to entering into any contract as authorized by Subsection C of this Section, the board shall provide public notice that a contract is under consideration by

the board and shall provide an opportunity for the public to offer comment, regarding the contract, at a public hearing conducted for that purpose.

- (2) The notice shall include the name of the individual attorneys, a consortium of lawyers, or an independent public defender organization qualified with the United States Internal Revenue Service for an exemption from federal income tax under Section 501(c) of the Internal Revenue Code to provide counsel for indigent defendants, the amount of compensation to be paid, and the nature of the contracted services.
 - (3) The board shall conduct a public hearing regarding any contract authorized by Subsection C of this Section and provide the public an opportunity to offer comment on the contract.
 - (4) The public hearing provided for by this Subsection may be conducted at a regular meeting of the board provided proper notice is provided to the public as required by this Subsection.
- E. The executive staff, regional directors, and secretarial, clerical, and other personnel directly employed in the operations of the board shall be state employees. All other personnel employed or who serve under contract in a district office shall not be state employees and shall be considered local employees of the district. The Joint Legislative Committee on the Budget may approve other employees hired pursuant to the Louisiana Public Defender Act as state employees upon recommendation of the board.

Added by Acts 1976, No. 653, §1; Acts 1986, No. 94, §1, eff. June 23, 1986; Acts 1994, 3rd Ex. Sess., No. 105, §1; Acts 1997, No. 1361, §1, eff. Dec. 31, 1997; Acts 2003, No. 288, §1; Acts 2005, No. 343, §1; Acts 2007, No. 307, §1; Acts 2008, No. 2, §1, eff. May 24, 2008; Acts 2008, No. 220, §6, eff. June 14, 2008.

Title 24. Legislature and Laws

Chapter 1. Legislature

Part II. Members and Employees

§31.5. Legislative assistants for members

- A. (1) Each member of the legislature may employ one or more legislative assistants, who shall be employed as unclassified state employees.
- (2) The Legislative Budgetary Control Council shall establish and provide for the implementation of a salary schedule for legislative assistants. The Legislative Budgetary Control Council may make adjustments to the salary schedule for legislative assistants as necessary.
- (3) Each legislator shall determine the qualification requirements of his legislative assistant or assistants. However, no person who is a member of the family of the legislator may serve as his legislative assistant.
- (4) (a) Each legislative assistant shall perform such duties as the legislator may assign and shall be paid a salary fixed by the legislator, provided that the salary for any one legislative assistant shall not exceed the base salary established by the Legislative Budgetary Control Council plus the equivalent of one step for each year of his employment as a legislative assistant.
- (b) When more than one legislative assistant is employed by a legislator, the total salary for all legislative assistants of a legislator shall not exceed the base salary established by the Legislative Budgetary Control Council plus the equivalent of one step for each year of employment as a legislative assistant of the legislative assistant receiving the highest salary, or the equivalent of one step for each year of the employing legislator's service as a legislator, at the option of the employing legislator. However, no legislative assistant shall be paid a salary that exceeds the base salary established by the Legislative Budgetary Control Council plus the equivalent of one step for each year of his employment as a legislative assistant.
- (c) The Legislative Budgetary Control Council shall also provide a detailed mechanism to factor in other governmental experience into the number of years of experience of a legislative assistant for determining that legislative assistant's salary.
- (5) The salary of each legislative assistant shall be paid from the funds of the respective houses, withdrawn from the state treasury and deposited in

§31.5. Legislative assistants for members

the manner provided in R.S. 24:31.1, and shall be paid to each individual legislative assistant whose employment and salary have been certified by a member to his respective presiding officer. Payment shall be by check signed by the speaker of the House of Representatives as to the salary of legislative assistants to House members, and by the president of the Senate as to the salary of legislative assistants to Senate members. Facsimile signatures may be used.

- (6) Nothing in this Section shall prohibit the use of contractual secretarial services in lieu of one or more legislative assistants who shall be paid in accordance with the salary schedule established by the Legislative Budgetary Control Council.
- B. Each legislator who employs one or more legislative assistants as provided in this Section shall notify the presiding officer of his house in writing as to the name of each such legislative assistant and the salary to be paid. Any change of person or salary shall be reported to the presiding officer of his house within ten days after such change. The respective presiding officer shall hold such reports during the term of office of the legislator involved.
- C. (1) (a) When a legislator employs only one legislative assistant, such assistant may participate in the state's group life, health, and hospitalization insurance program and the state employees' retirement system provided such assistant receives at least sixty percent of the total compensation available to employ the legislative assistant.
- (b) When a legislator employs more than one legislative assistant, the primary legislative assistant may participate in the state's group life, health, and hospitalization insurance program and the state employees' retirement system. "Primary legislative assistant" means the legislative assistant who receives the highest salary and whose salary is at least sixty percent of the total salary that such assistant can be paid.
- (c) Any legislative assistant who does not meet the criteria set forth in this Subsection shall not be eligible to participate in these benefits.
- (2) All legislative assistants shall be eligible for workers' compensation coverage as state employees immediately upon employment.

Added by Acts 1972, No. 259, §1. Amended by Acts 1975, No. 44, §1, eff. Sept. 1, 1975; Acts 1979, No. 408, §1, eff. Sept. 1, 1979; Acts 1980, No. 493, §1, eff. July 22, 1980; Acts 1983, 1st Ex. Sess., No. 1, §6; Acts 1986, No. 946, §1; Acts 1989, No. 9, §1; Acts 1989, No. 806, §1; Acts 1992, No. 520, §1, eff. June 26, 1992; Acts 1997, No. 1344, §1, eff. July 1, 1997; Acts 2008, No. 838, §1, eff. July 1, 2008; Acts 2010, No. 861, §10.

NOTE: See Acts 2008, No. 838, §§2 and 4, regarding implementation.

§36. Additional benefits payable to legislators; certain legislative personnel

§31.7. Allowances; declaration as non-emoluments

The allowance provided in Sections 31.4, 31.5 and 31.6 are hereby declared not to constitute emoluments of office of the members of the legislature, and shall not be used for the purpose of determining the amount upon which any employee or employer contributions are to be paid to any publicly supported retirement system or in computing any retirement benefits or any other benefits pertaining to any member of the legislature.

Added by Acts 1975, No. 44, §2, eff. Sept. 1, 1975.

§36. Additional benefits payable to legislators; certain legislative personnel; governor; lieutenant governor; political subdivision service credit; credit for service previously rendered; additional contributions; computation of benefits payable; membership

- A. All persons who are or have been members of the Louisiana Legislature, or who are or have been the clerk or sergeant-at-arms of the House of Representatives, or the secretary or sergeant-at-arms of the Senate, or who are or have been the governor, or who are or have been the lieutenant governor, and who are members of any actuarially funded retirement system maintained by the state of Louisiana or any political subdivision thereof, shall receive an additional benefit equal to one percent times the number of years of service in the Louisiana state legislature, except as provided by R.S. 11:164, or as clerk or sergeant-at-arms of the House of Representatives or as secretary or sergeant-at-arms of the Senate, or as an employee of the legislature, or as governor or lieutenant governor, times the average salary as defined in the law covering the particular system of which each is a member. Years of service as clerk or sergeant-at-arms of the House of Representatives, as secretary or sergeant-at-arms of the Senate, or as an employee of the legislature, or as governor or lieutenant governor shall be computed in the same manner as years of service is computed for membership in the legislature.
- B. Any member of the legislature who is a member of an actuarially funded retirement system or who becomes a member within sixty days after June 29, 1959, shall be given full credit for all service as a state employee prior to July 1, 1959, provided he pays five percent of all salary earned as a state employee between January 1, 1948 and June 29, 1959; and provided such payment is made within six (6) months after June 29, 1959.
- C. (1) (a) Any member of any actuarially funded retirement system maintained by the state of Louisiana or any political subdivision thereof who has a total of at least sixteen years of creditable service as a member of the state legislature or as governor or as lieutenant governor or as state treasurer shall be entitled to retire under the provisions of the actuarially funded retirement system of which he is a member, without regard to the age he has attained at the time he makes application for retirement.

§36. Additional benefits payable to legislators; certain legislative personnel

- (b) In addition, any such person who has a total of twenty years of creditable service, at least twelve years of which is as a member of the state legislature, or a clerk of the House of Representatives or sergeant-at-arms of the House of Representatives, or as president or secretary of the Senate or sergeant-at-arms of the Senate, or as governor, lieutenant governor, or state treasurer shall be entitled to retire under the provisions of the actuarially funded retirement system of which he is a member, if he has attained the age of fifty years or complies with the age limit provisions for retirement of the system from which he retires. Further, any such person who has a total of at least twelve years of creditable service as a member of the state legislature, or as governor, lieutenant governor, or state treasurer, at the time he withdraws from state service shall be entitled to retire under the provisions of the actuarially funded retirement system of which he is a member when he attains the age of fifty-five years, if such person has not previously received a refund of his accumulated contributions.
 - (c) A legislator or a governor, lieutenant governor, or state treasurer shall be entitled to obtain and to include all or a portion of any service rendered by him as an elected public official as listed in R.S. 18:551(B)(1)(c), (d), and (e) as creditable service as a member of the legislature, or as governor, lieutenant governor, or state treasurer, for the purpose of acquiring the required years of creditable service as a member of the legislature or as governor, lieutenant governor, or state treasurer.
 - (d) If such credit has not been credited previously to the legislator, or to a governor, lieutenant governor, or state treasurer in the system of which he is a member, that system shall allow such credit, upon application therefor, by the legislator, governor, lieutenant governor, or state treasurer, and upon his paying that system shall allow such credit, upon application therefor, by the legislator, governor, lieutenant governor, or state treasurer, and upon his paying into the system any employee and employer contributions computed by the system pursuant to R.S. 11:158.
 - (e) If no compensation was received for the service for which credit thus is sought, the legislator, governor, lieutenant governor, or state treasurer shall pay into the system as employee and employer contributions an amount which shall be computed on the basis of the amount of his per diem as a legislator for a number of days equal to the number of days for which he seeks credit, or on the basis of his salary as governor, lieutenant governor, or state treasurer.
- (2) (a) Credit obtained for service rendered as an elected public official of this state shall count as creditable service as a member of the legislature or as governor, lieutenant governor, or state treasurer for the purpose of

§36. Additional benefits payable to legislators; certain legislative personnel

acquiring the required years of creditable service as a member of the legislature, or as governor, lieutenant governor, or state treasurer, provided at the time of retirement the member of the legislature, or governor, lieutenant governor, or state treasurer has credit for at least seven years of actual service as a member of the legislature or as governor, lieutenant governor, or state treasurer.

- (b) If a member of the legislature, or a governor, lieutenant governor, or a state treasurer does not obtain credit for at least seven years of actual service as a legislator, or governor, lieutenant governor, or state treasurer, any credit obtained for service as an elected public official as listed in R.S. 18:551(B)(1)(c), (d), and (e) by any such person shall only count as other creditable service.
 - (c) If a member of the legislature, or a governor, lieutenant governor, or state treasurer does obtain credit for at least seven years of actual service as a legislator, or as governor, lieutenant governor, or state treasurer, then nothing herein shall limit the number of years that shall be counted as regular service for computing retirement benefits.
- (3) Any person retiring under the provisions of this Subsection shall receive a full retirement benefit, without reduction of any percentage which may be provided in the laws pertaining to the retirement system for retirement before the normal retirement age. For purposes of computing retirement benefits for those persons provided for in Subsection A of this Section, “average compensation” shall be the average annual earned compensation of the member for any three years of service during which said earned compensation was the highest, including salary, per diem, and also the expense allowances provided by R.S. 24:31.1 and 31.2 and any other expense allowances provided for the clerk of the House of Representatives and the secretary of the Senate. The retirement benefits provided herein for any person covered by this provision shall not exceed the limitation provided in R.S. 11:444(B). Beginning with August 1, 1962, the benefits provided herein shall extend to members covered hereby who were employed in the state service on or after May 1, 1960, and to their survivors.

D. On and after May 1, 1960, any member as defined in Subsection A of this Section, shall have the right to transfer his total accredited years of service from the retirement system from which he leaves, due to change of employment, to any retirement system maintained by the state of Louisiana or any subdivision thereof. Transfer shall be effective upon the certification of total service credit by the retirement system transferring the member to the retirement system to which the member is transferred and shall be conditioned upon payment to the receiving system of such an amount which, on an actuarial basis, totally offsets the increase in accrued liability of the system resulting from the transaction. The amount payable shall be based upon the actuarial funding method, assumptions, and tables in use by the system at

§36. Additional benefits payable to legislators; certain legislative personnel

the time the person's application is received by the system. The retirement system transferring the member shall transfer the employee and employers contribution accounts in full to the retirement system to which the member is transferred.

- E. Repealed by Acts 2010, No. 94, §2, eff. July 1, 2010.
- F. Any person who has served in the legislature for at least seven years who was elected to such office prior to attaining the age of fifty-five and who on January 6, 1969 is over the age of fifty-five, and who has never been a member of any actuarially funded retirement system maintained by the state or any political subdivision thereof, shall be eligible to become a member of the State Employees' Retirement System and to obtain credit for state service previously rendered as a member of the legislature and also as an employee of the State Board of Registration, provided that application for membership and for such credit is made on or before May 1, 1969. In order to obtain such credit, the applicant shall pay into the system contributions on the compensation earned for the period for which such credit is sought, computed at the current rate, together with two per cent compound interest thereon. These contributions may be paid in one lump sum or in such installments as may be agreed upon between the member and the board of trustees, provided that all such payments shall be made within four years of the date of application.
- G. Notwithstanding any provision of law to the contrary, any person heretofore or hereafter elected to the legislature for three or more terms, and who is elected or who serves during any one of the terms for at least two sessions of the legislature but less than a full four years shall receive credit in any retirement system of which he is a member for the full four years. However, in order to receive such credit the member shall make application therefor to the board of trustees of the retirement system of which he is a member and shall submit evidence of the period for which he seeks credit and the reason or reasons therefor. In addition, the member shall pay into the system an amount on an actuarial basis calculated in accordance with R.S. 11:158. Such payments shall be made in one lump sum prior to the date of filing an application for retirement.
- H. Notwithstanding any provision of law to the contrary and particularly R.S. 11:142, any person who within three years after serving in their respective capacities as set forth in Subsection A of this Section is or has been employed by the state or any agency or political subdivision thereof shall have the right to transfer his total years of accredited service in the retirement system of which he was a member while serving in their respective capacities, aforesaid, to the retirement system maintained for employees of the public body which subsequently employs him, provided he has not received a refund of his accumulated contributions. Any such person shall be eligible for membership in the retirement system to which the accredited service is transferred, regardless of any age requirement for membership eligibility in such system. The retirement system transferring the accredited service shall transfer the

§36. Additional benefits payable to legislators; certain legislative personnel

employee and employer contribution accounts in full to the retirement system to which the transfer is being made. Any such person shall have the right to service credit in the system to which he transfers membership from the date of employment to the date he becomes a member of the system, provided he makes application therefor and pays into the system an amount which, on an actuarial basis, totally offsets the increase in accrued liability of the system resulting from the transaction. The amount payable shall be based upon the actuarial funding method, assumptions, and tables in use by the system at the time the person's application is received by the system. The amount required to be paid shall be paid in one lump sum or in such installments as are agreed upon by the board of trustees of the system, but the total amount shall be paid within six months after becoming a member of the system.

- I. Any person who has served in the legislature for at least twelve years who was elected to such office after attaining the age of sixty-five and who on June 30, 1990, is over the age of eighty, and who has never been a member of any actuarially funded retirement system maintained by the state or any political subdivision thereof, shall be eligible to become a member of the State Employees' Retirement System and to obtain credit for state service previously rendered as a member of the legislature, provided that application for membership and for such credit is made on or before September 1, 1990. In order to obtain such credit, there shall be paid into the system an amount which on an actuarial basis, totally offsets the increase in accrued liability of the system resulting from the receipt of the credit. The amount payable shall be calculated by use of the actuarial funding method, assumptions, and tables in use by the system at the time of application for the credit. These contributions may be paid in one lump sum or in such installments as may be agreed upon between the member and the board of trustees, provided that all such payments shall be made within one year of the date of application.

- J. (1) Notwithstanding any other provision of law to the contrary, any person covered by this Section may purchase credit for any prior service in which he was employed by the state or any agency or political subdivision thereof or any nonprofit quasi governmental entity whose funding is derived in whole or in part from federal, state, or local sources or any prior service as an elected public official in this state.

(2) Any person who purchases service credit under the provisions of this Subsection shall be entitled to pay such a sum to the system as will allow the person to receive the additional benefit provided for in Subsection A of this Section with respect to all such newly purchased service credit.

(3) Any person covered by this Section, who has been employed by the state or any agency or political subdivision thereof or who served as an elected public official in this state and who transferred to this retirement system any

§36. Additional benefits payable to legislators; certain legislative personnel

amount of his accredited service in the retirement system of which he was a member while serving in that capacity, shall be entitled to pay such a sum of money to this retirement system as will grant him the additional benefit provided in Subsection A of this Section with respect to the total amount of service credited to his account and without regard to whether such service was obtained by transfer or otherwise.

- (4) Any service credit, benefit, or additional benefits that any person may purchase in accordance with the provisions of this Subsection shall be conditioned upon payment to the retirement system of such an amount which, on an actuarial basis, totally offsets the increase in accrued liability of the system resulting from the transaction. The amount payable shall be based upon the actuarial funding method, assumptions, and tables in use by the system at the time the person's application is received by the system.
- K. (1) Notwithstanding any other provision of law to the contrary, any person covered under the provisions of this Section shall be eligible to pay such a sum to the retirement system of which he is a member to make the highest benefit accrual rate available to such person applicable to all service credited to his account.
- (2) The provisions of this Subsection shall apply to any prior service credit without regard to the date that such service was purchased or credited to the member's account.
- (3) All sums paid under this Subsection shall, on an actuarial basis, totally offset any increase in accrued liability of the system resulting from the transaction. The amount payable under this Subsection shall be calculated by use of the actuarial funding method, assumptions, and tables in use at the time of the purchase of the service credit.
- L. Notwithstanding any other provision of law to the contrary, any person covered by this Section shall be eligible to participate in the Deferred Retirement Option Plan of the system for which he is a member for a period of three years.
- M. Beginning January 1, 2011, the provisions of this Section shall not be applicable to any person whose first employment making him eligible for membership in any public retirement system, plan, or fund, began on or after such date.

Added by Acts 1959, No. 97, §§1 to 3. Amended by Acts 1960, No. 345, §§2, 3; Acts 1962, No. 141, §1; Acts 1963, No. 2, §§1, 3; Acts 1963, No. 6, §1; Acts 1963, No. 8, §3; Acts 1964, No. 386, §1; Acts 1968, No. 28, §1; Acts 1968, No. 37, §1; Acts 1968, Ex.Sess., No. 8, §1; Acts 1970, No. 40, §1; Acts 1974, No. 116, §1; Acts 1974, No. 204, §1; Acts 1974, No. 243, §1; Acts 1976, No. 222, §1, eff. July 29, 1976; Acts 1977, No. 481, §1, eff. July 13, 1977; Acts 1983, No. 674, §2; Acts 1985, No. 774, §1; Acts 1987, No. 537, §1; Acts 1988, No. 657, §1, eff. July 15, 1988; Acts 1990, No. 688, §1, eff. July 20, 1990; Acts 1991, No. 861, §1; Acts 1992, No. 518, §6, eff. June 26, 1992; Acts 1995, No. 667, §2; Acts 1995, No.

§36.2. Retirement benefits for certain public officials

961, §2, eff. June 17, 1995; Acts 1995, No. 999, §1, eff. July 1, 1995; Acts 1995, No. 1112, §2; Acts 2010, No. 992, §2, eff. January 1, 2011; Acts 2011, No. 377, §2, eff. June 30, 2011; Acts 2012, No. 811, §7, eff. July 1, 2012.

NOTE: SEE ACTS 1988, NO. 657, §2.

NOTE: SEE ACTS 1991, NO. 861, §2.

NOTE: SEE ACTS 1992, NO. 518, §§7 AND 8.

NOTE: SEE ACTS 1995, NO. 999, §2.

NOTE: SEE ACTS 1995, NO. 1112, §3.

NOTE: SEE ACTS 1995, NO. 961, §5, RELATIVE TO EFFECTIVE DATE OF ACT (SEE ALSO ACTS 1995, NO. 1110, §4).

§36.1. Computation of benefits; widows presently drawing benefits

On and after July 17, 1964, any person drawing retirement benefits under the provisions of R.S. 24:36, as said Section was amended by Act No. 6 of 1963, shall be paid retirement benefits in an amount which shall be determined and computed in accordance with the provisions of R.S. 24:36 as amended by Act 386 of the 1964 Regular Session; provided that widows of deceased members of the Legislature who are presently drawing benefits shall continue to draw retirement benefits as was provided by Act No. 6 of 1963; and such persons shall be entitled to a refund of any contributions paid by him, under the provisions of R.S. 24:36 as amended by Act No. 6 of 1963, in excess of the amounts required to be paid by any such person as contributions prior to the passage of Act No. 6 of 1963.

Added by Acts 1964, No. 386, §2, emerg. eff. July 17, 1964.

§36.2. Retirement benefits for certain public officials

Notwithstanding the provision of R.S. 11:416, any retired member of the Louisiana State Employees' Retirement System or the Teachers' Retirement System of Louisiana who is elected to the Louisiana House of Representatives or the Louisiana Senate shall continue to receive his full retirement benefit without suspension during the time of his service. If an active member of either system retires while serving as a legislator, he shall receive his full retirement benefit without suspension during the time of his service.

Added by Acts 1992, No. 518, §6, eff. June 26, 1992. Amended by Acts 1995, No. 610, §2, eff. July 1, 1995.

NOTE: SEE ACTS 1992, NO. 518, §§7 AND 8

§37. Regaining membership in actuarially funded retirement system

§37. Regaining membership in actuarially funded retirement system

A. Notwithstanding any other provision of law to the contrary, any person who was elected as a member of the legislature in 1968, who prior to May 11, 1964 had been a member of any actuarially funded retirement system maintained by the state or any political subdivision thereof and was serving as a member of the legislature, and who on July 31, 1968 is not over the age of fifty-seven years, shall be eligible to regain membership in the system as of May 13, 1968, of which he had been a member, provided that application therefor is made to the board of trustees and repayment on or before September 1, 1968, of any amount of accumulated contributions to the system previously withdrawn, together with interest thereon at the rate of two percent per annum until paid, such member of the legislature shall be given credit in the system for creditable service to which he was entitled prior to withdrawal from membership and withdrawal of accumulated contributions.

The board of directors of the system shall adopt such rules and regulations as it deems necessary to carry out the purposes of this section.

B. Repealed by Acts 1966, No. 492, §9.

C. Notwithstanding any other provision of law to the contrary, any person who was a member of the Senate of this state and who was a member of this system but who has retired as a member of the system and is drawing benefits therefrom and who is, on July 29, 1964, between the ages of 60 and 65 years and is serving as director of highways may elect to cease to draw benefits from the system and to regain membership in the system, provided that such election shall be made on or before September 1, 1964. Any such person, upon his subsequent retirement from the state service, shall be entitled to benefits from the system based upon his accumulated contributions at the time of such retirement from active state service.

D. Any person who has met the requirements of Subsection C, and has made the election provided therein, shall be, upon his subsequent retirement from the state service, entitled to have his retirement benefits recomputed with credit for the additional service and the earnings received during his tenure as highway director.

Added by Acts 1964, No. 179, §1. Amended by Acts 1965, No. 22, §1; Acts 1966, No. 492, §9; Acts 1968, No. 18, §1.

Title 29. Military, Naval, and Veterans' Affairs

Chapter 2. Veterans Generally

Part VI. Military Service Relief Act

Subpart G. Retirement System and Pension Benefit Plan Credit

§411. Retirement credit

- A. Any employee, who completes his service in the uniformed services and applies for reemployment upon release from service in the uniformed services or discharge from hospitalization incidental to his service in uniformed service, shall be entitled to receive creditable service for such period of service in the uniformed services toward vesting and computation of benefits in the retirement system, pension fund, or employee benefit plan applicable to his employment, as provided in this Subpart.
- B. No employee shall receive more than a total of four years of military service credit in the retirement system, pension fund, or employee benefit plan applicable to his employment, pursuant to this Part.

Added by Acts 1991, 1st E.S., No. 6, §1, eff. April 17, 1991; Amended by Acts 1995, No. 716, §1, eff. June 21, 1995.

§412. Contributions; payment during military service

Any employee may, at his option, pay the required employee contributions to the retirement system, pension fund, or employee benefit plan applicable to his employment, during his period of service in the uniformed services and if the payment of contributions is permitted by the Internal Revenue Code, if the plan is a qualified plan. The employee shall timely furnish his employer with sums equal to that which would have been deducted from his compensation for retirement system coverage, as required under the public retirement system or employee benefit plan. Upon such receipt, the employer shall remit the employee contributions to the applicable system or plan, including the employer contributions that would have been contributed on behalf of the employee. The employee shall notify his employer of his election to pay the required employee contributions to the applicable system or plan at the time he enters service in the uniformed services.

Added by Acts 1991, 1st E.S., No. 6, §1, eff. April 17, 1991; Amended by Acts 1995, No. 716, §1, eff. June 21, 1995.

§413. Employee pension benefit plans

- A. Every private employer in this state who maintains a defined benefit plan, as defined by 29 U.S.C. 1002(35), shall credit the employee with his period of service in the uniformed services towards retirement eligibility and vesting under the plan,

§414. Public retirement systems; payment of contributions; interest

including the computation of any retirement benefits due under the express terms of the plan, when the accrued benefits due under the plan are derived from employer contributions to the plan. If the defined benefit plan provides benefits derived from employer and employee contributions to the plan, the employee shall be credited with his period of service in the uniformed services towards retirement eligibility and vesting under the plan, including the computation of any retirement benefits due under the express terms of the plan, provided that the employer contributions and the mandatory contributions of the employee are made to the plan.

- B. If any private employer maintains an individual account plan or a defined contribution plan, as defined by 29 U.S.C. 1002(34), the employee shall be credited with his period of service in the uniformed services towards retirement eligibility under the express terms of the plan, upon payment of the designated contributions to the plan and if such credit is permitted by the Internal Revenue Code, if the plan is a qualified plan.
- C. An employee may be required to pay the employee cost, if any, of any funded benefit continued pursuant to this Section to the extent other employees on furlough or leave of absence are so required.

Added by Acts 1991, 1st E.S., No. 6, §1, eff. April 17, 1991; Amended by Acts 1995, No. 716, §1, eff. June 21, 1995.

§414. Public retirement systems; payment of contributions; interest

- A. Any employee, who did not elect to make employee contributions pursuant to R.S. 29:412 to the public retirement system applicable to his employment during his period of service in the uniformed services, shall be entitled to receive credit for his service in the uniformed services toward establishing retirement eligibility and for computation of benefits, upon payment into the system an amount equal to the employee contributions that would have been paid had the employee continued in employment and not been called to service in the uniformed services, together with interest thereon at the valuation interest rate of the system or plan in effect at the time payment is made. The contributions shall be based on the salary, including any increases in compensation that the employee would have received had he remained in employment during the period of service in the uniformed services.
- B. Upon payment by the employee of the employee contributions and interest as provided in Subsection A, the employer shall pay to the retirement system an amount equal to the employer contributions that the employer would have paid to the retirement system had the employee remained in service, together with interest thereon, at the valuation interest rate in effect at the time payment is made. The contributions shall be based on the salary the employee would have received during the period of service in the uniformed services, including any increases in compensation that the employee would have received had he remained in employment during the period

§415. Payment of death and survivor benefits; public retirement

of service in the uniformed services. The employer contributions and interest due to the system shall be paid within thirty days after the employee has paid all of the contributions due to the system or fund.

- C. All employee contributions and interest due thereon made in payment for service in the uniformed services credit in accordance with Subsection A must be received by the system within four years of his reemployment.
- D. Should the employee fail to make the required contributions within four years, or a time period authorized in accordance with Subsection E of this Section, service in the uniformed services shall be used only for determining eligibility for retirement benefits. Any unpaid actuarial cost to the retirement system shall be borne by the employers through reflection in the employer contribution rate established pursuant to R.S. 11:102 or 103, or as provided by the actuarial funding requirements and any other laws, rules, or regulations applicable to the public retirement system in which the employee receives credit under the provisions of this Subpart.
- E. Notwithstanding Subsection D of this Section, if any employee fails to make the required contributions within four years of his reemployment, the retirement system, pension fund, or employee benefit plan may permit such employee to make such contributions within the time period allowable under the Uniformed Services Employment and Reemployment Rights Act of 1994 (USERRA).

Added by Acts 1991, 1st E.S., No. 6, §1, eff. April 17, 1991; Amended by Acts 1995, No. 716, §1, eff. June 21, 1995; Acts 2010, No. 1010, §1, eff. June 30, 2010.

§415. Payment of death and survivor benefits; public retirement

- A. The employee's period of service in the uniformed services shall be counted as creditable service in the public retirement system in which he was a member, for determining eligibility for death and survivor benefits and in the computation of benefits, provided that the following conditions are satisfied:
 - (1) The beneficiary of the death or survivor benefits shall provide payment of the unpaid portion of the contributions of the deceased member. The beneficiary may agree in writing to have the payment of the unpaid portion of the contributions of the deceased member deducted from the benefits over a period not to exceed four years. The beneficiary may pay, in the alternative, the actuarial cost of such additional credit in a lump sum prior to the distribution of benefits.
 - (2) If there is more than one beneficiary, a written agreement to pay the unpaid contributions of the deceased member shall be unanimous. In the event that a recipient is a minor child, the legal guardian of the minor child shall express consent for the minor child.

§415.1. Inapplicability to deferred retirement option plans; public retirement

- (3) The board of trustees of every public retirement system defined in R.S. 29:403 shall adopt a written policy covering all beneficiaries' and survivors' rights to pay the required contributions in order to have the employee's military service computed in the computation of any death or survivor benefits payable under the system.
- B. If all of the conditions of Subsection A are satisfied, the employer shall pay the employer contributions in a manner consistent with this Subpart.
- C. If the beneficiary of the death or survivor benefits of the deceased member elects not to pay the employee contributions due the system on account for such service in the uniformed services credit, the computation of death and survivor benefits shall be based on the actual service of the reservist in the system prior to his call to service in the uniformed services. The death or survivor benefits provided for herein shall be due and payable upon the death of the reservist.
- D. If the application of any provision set forth in this Section results in an unpaid actuarial cost to the retirement system, it shall be borne by the employers through reflection in the employer rate established by the Public Retirement Systems Actuarial Committee.

Added by Acts 1991, 1st E.S., No. 6, §1, eff. April 17, 1991; Amended by Acts 1995, No. 716, §1, eff. June 21, 1995.

§415.1. Inapplicability to deferred retirement option plans; public retirement

The provisions of this Subpart are inapplicable with respect to employees who are participants in a deferred retirement option plan.

Added by Acts 1991, 1st E.S., No. 6, §1, eff. April 17, 1991; Amended by Acts 1995, No. 716, §1, eff. June 21, 1995.

Title 44. Public Records and Recordors

Chapter 1. Public Records

§15. Medical records of persons applying for disability retirement through any state or statewide public retirement system or pension plan or fund

- A. All medical records, application forms, doctor's reports and evaluations, agency certifications, and all other health records of persons applying for disability retirement from any state or statewide public retirement system or pension plan or fund pursuant to the provisions of the applicable laws governing disability retirement for these systems, plans, or funds, and all regulations promulgated pursuant thereto, which are in the custody or control of the board of trustees of any state or statewide public retirement system or pension plan or fund or any duly appointed representative thereof, are exempt from the provisions of this Chapter.
- B. All other records pertaining to membership in or retirement under any state or statewide public retirement system or pension plan or fund which are in the custody or control of the board of trustees of any state or statewide public retirement system or pension plan or fund or any duly appointed representative thereof, are subject to the provisions of this Chapter.

Added by Acts 1988, No. 295, §1, eff. July 7, 1988.

§16. Personal data records for certain members of public retirement systems, plans, or funds

- A. All records of retired members of public retirement systems, plans, or funds or of members who are participating in or who have participated in the Deferred Retirement Option Plan are exempt from the provisions of this Chapter except for the amount of the retired member's retirement allowance, final average compensation, and years of creditable service, and the names of the agencies with which he was employed and the dates of such employment.
- B. The exemption for records of retired members of the public retirement systems, plans, or funds or members who are participating in or who have participated in the Deferred Retirement Option Plan provided in Subsection A of this Section shall not apply to requests for such records by members of the Louisiana Legislature, by any state agency or employer reporting information to the public retirement systems, plans, or funds, or by any association of individuals receiving a retirement allowance or benefit from the public retirement systems, plans, or funds.

Added by Acts 1991, No. 365, §1. Amended by Acts 1992, No. 945, §1; Acts 1995, No. 271, §1, July 1, 1995.

Title 47. Revenue and Taxation

Subtitle II. Provisions relating to Taxes Collected and Administered by the Collector of Revenue

Chapter 4. Vehicle Registration License Tax

Part II. Levy of Registration License Fee or Tax

§463.141. Special prestige license plate; “State Employee Retired”

- A. The secretary of the Department of Public Safety and Corrections shall establish a special prestige motor vehicle license plate to be known as the “State Employee Retired” plate, provided there is a minimum of one thousand applicants for such plates. These license plates shall be restricted to use on passenger cars, pickup trucks, recreational vehicles, and vans.

- B. The special prestige license plate shall be known as the “State Employee Retired” license plate and shall bear the likeness of the shape of the state of Louisiana centered on the left side of the license plate and shall display the state seal centered inside of the outline of the state shape. The words “State Employee Retired” shall be centered under the “Louisiana” name logo at the top of the plate. The center of the plate shall display a number, with the first issued plate displaying the number one and shall continue in consecutive numerical order for each plate. Centered at the bottom of the plate below the number shall be the words “Louisiana State Employees Retirement System”.

- C. The prestige license plate shall be issued, upon application, to any citizen of Louisiana who can provide proof that the applicant is a member of the Louisiana State Employees Retirement System and who is receiving retirement benefits payments.

- D. The department shall collect the following fees for this license plate:
 - (1) An initial fee of twenty-five dollars, which shall be disbursed in accordance with Subsection E of this Section.

 - (2) A handling fee of three dollars and fifty cents to be retained by the department to offset a portion of administrative costs.

 - (3) A renewal fee, which shall be the same as the fee for renewing a regular motor vehicle license plate.

§463.141. Special prestige license plate; “State Employee Retired”

- E. The monies received from the additional twenty-five dollar fee shall be annually disbursed to the Louisiana State Employees Retirement System and used solely for the purpose of paying down a portion of the state’s unfunded liability obligation.
- F. The secretary shall adopt rules and regulations as are necessary to implement the provisions of this Section.

Added by Acts 2010, No. 89, § 1, eff. Aug. 15, 2010.

Louisiana Code of Civil Procedure

Art. 84. Action involving certain retirement systems and employee benefit programs

Actions involving the Louisiana State Employees' Retirement System, Office of Group Benefits, State Police Pension and Relief Fund, Louisiana School Employees' Retirement System, Louisiana School Lunch Employees' Retirement System, Teachers' Retirement System of Louisiana, Assessors' Retirement Fund, Clerks of Court Retirement and Relief Fund, District Attorneys' Retirement System, Municipal Employees' Retirement System of Louisiana, Parochial Employees' Retirement System of Louisiana, Registrar of Voters Employees' Retirement System, Sheriffs' Pension and Relief Fund, Municipal Police Employees' Retirement System, or the Firefighters' Retirement System shall be brought in the parish of East Baton Rouge or in the parish of the domicile of the retirement system or employee benefit program.

Added by Acts 1980, No. 164, §1. Amended by Acts 1982, No. 103, §1; Acts 2001, No. 1178, §8, eff. June 29, 2001.

LOUISIANA ADMINISTRATIVE CODE (LASERS Rules)

TITLE 58—RETIREMENT

Part I. Louisiana State Employees' Retirement System

Chapter 1. General Provisions

§101. Definitions

A. Wherever in these regulations the masculine is used, it includes the feminine and vice versa. Wherever the singular is used, it includes the plural and vice versa. The following definitions shall apply to all regulations promulgated under Part I, unless the usage clearly indicates another meaning.

Active Member—a member of the Louisiana State Employees' Retirement System who is in state service.

Active Member Trustees—those members of the board of trustees of the Louisiana State Employees' Retirement System who are active employees, or participating in DROP.

Board of Trustees or Board—the board of trustees of the Louisiana State Employees' Retirement System.

Department—a department in the executive branch of state government created or continued in Title 36 of the Louisiana Revised Statutes.

Director—the executive director of the Louisiana State Employees' Retirement System.

DROP—Deferred Retirement Option Plan.

Emolument—cash compensation, which is subject to federal and state income taxes, paid to an employee in addition to the employees' salary, but shall not include overtime, per diem, differential pay, premium pay, or payment-in-kind.

Inactive Member—a member who is out of state service but is not retired and has left his contributions in the system.

LASERS—the Louisiana State Employees' Retirement System.

Regular Retirement—retirement under the criteria set forth in R.S. 11:441.A.(1), (2), and (3), R.S. 11:558, R.S. 11:582 and R.S. 24:36.C and does not include early retirement, as provided for in R.S. 11:441.A.(4).

Chapter 1. General Provisions

§103. Petitions for Adoption, Amendment, or Repeal of Rules; Form and Procedure

Retired Member—a member who is retired or is participating in DROP.

Retired Member Trustee—those members of the board of trustees of the Louisiana State Employees' Retirement System who are retired, but not those members who are participating in DROP.

System—the Louisiana State Employees' Retirement System.

Terminate—to completely cease employment with the state of Louisiana for a period of not less than 30 consecutive days.

Trustee—a member of the board of trustees of the Louisiana State Employees' Retirement System.

AUTHORITY NOTE: Promulgated in accordance with R.S. 11:515.

HISTORICAL NOTE: Promulgated by the Department of Treasury, Board of Trustees of the State Employees' Retirement System, LR 22:373 (May 1996), amended LR 24:120 (January 1998).

§103. Petitions for Adoption, Amendment, or Repeal of Rules; Form and Procedure

- A. Petitions for the adoption, amendment, or repeal of rules or regulations shall be submitted to the executive director of the Louisiana State Employees' Retirement System, First Floor, 8401 United Plaza Boulevard, Baton Rouge, LA 70809.
- B. Petitions shall be in writing and shall state the name and address of an individual who may be contacted relative to the contents of the petition.
- C. Petitions shall clearly state the action sought. If the petitioner seeks to amend or repeal an existing rule or regulation, the petition shall cite that rule or regulation.
- D. In the case of proposals for adoption of wholly new rules or regulations, petitions shall state the law granting the authority for the adoption of the proposed rules and regulations.
- E. Petitions for the adoption, amendment, or repeal of rules or regulations shall be considered within a reasonable amount of time, not to exceed 90 days. Petitions shall either be denied in writing, stating reasons for the denial, or rulemaking proceedings initiated in accordance with the Louisiana Administrative Procedure Act.

AUTHORITY NOTE: Promulgated in accordance with R.S. 49:953 and R.S. 11:515.

HISTORICAL NOTE: Promulgated by the Department of Treasury, Board of Trustees of the State Employees' Retirement System, LR 22:373 (May 1996).

Chapter 1. General Provisions

§107. Appeal to the Board of Trustees

§105. Petitions for Declaratory Rulings on the Applicability of Agency Statutes, Rules or Orders

- A. Requests for interpretations of rules or orders of LASERS shall be submitted to the executive director of the Louisiana State Employees' Retirement System, First Floor, 8401 United Plaza Boulevard, Baton Rouge, LA 70809.
- B. Letters shall be in writing and shall state the name and address of an individual who may be contacted relative to the contents of the petition.
- C. Letters shall clearly state the action sought. The petitions shall cite the particular statutory provisions, rules or orders of LASERS upon which the petitioners seek declaratory action.
- D. Requests for interpretations of rules or orders of LASERS shall be considered within a reasonable period of time, not to exceed 90 days of receipt by LASERS. Petitions shall either be denied, in writing, stating reasons for the denial, or declaratory orders or rulings issued within that 90-day period.

AUTHORITY NOTE: Promulgated in accordance with R.S. 49:962 and R.S. 11:515.

HISTORICAL NOTE: Promulgated by the Department of Treasury, Board of Trustees of the State Employees' Retirement System, LR 22:373 (May 1996).

§107. Appeal to the Board of Trustees

- A. All persons who feel that their rights under LASERS have been denied or impinged upon may appeal directly to the board of trustees for LASERS through the executive director using the following format:
 - 1. all appeals shall be in writing;
 - 2. all appeals shall clearly state the nature of the act or omission giving rise to the appeal;
 - 3. the petition for appeal shall clearly state whether a hearing is requested. If a hearing is requested, the petition shall state whether witnesses will be called, the name of the witnesses, the subject upon which the witness will testify, and an estimate as to the time needed to present the appeal; and
 - 4. LASERS shall attach a complete record of the events leading up to the appeal letter.
- B. Any final decision rendered on an appeal to the board of trustees may be judicially reviewed by the Nineteenth District Court for the Parish of East Baton Rouge.

AUTHORITY NOTE: Promulgated in accordance with R.S. 11:515.

Chapter 1. General Provisions

§109. Waiver of the Electronic Funds Transfer Requirement

HISTORICAL NOTE: Promulgated by the Department of Treasury, Board of Trustees of the State Employees' Retirement System, LR 22:373 (May 1996).

§109. Waiver of the Electronic Funds Transfer Requirement

- A. LASERS may, at its option, issue paper checks in lieu of an Electronic Funds Transfer (EFT) to surviving minor children under R.S. 11:471 et seq., in order to avoid overpayments or other administrative issues associated with the payment of such benefits.

AUTHORITY NOTE: Promulgated in accordance with R.S. 11:515 and 11:479.

HISTORICAL NOTE: Promulgated by the Board of Trustees of the State Employees' Retirement System, LR 31:1611 (July 2005).

§111. Contributions by Electronic Funds Transfer or Certified Check

- A. Under circumstances as determined by the executive director, LASERS may require agencies to submit employee and employer contributions by electronic funds transfer ("EFT") or certified check.

AUTHORITY NOTE: Promulgated in accordance with R.S. 11:515.

HISTORICAL NOTE: Promulgated by the Department of Treasury, Board of Trustees of the State Employees' Retirement System, LR 33:2468 (November 2007).

§113. Rollover of Refunds

- A. Qualified rollovers of accumulated employee contributions to be refunded may be made to two different accounts with a minimum of \$500 to each account. Refunds of funds totaling less than \$500 shall be limited to a single account.

AUTHORITY NOTE: Promulgated in accordance with R.S. 11:515.

HISTORICAL NOTE: Promulgated by the Department of Treasury, Board of Trustees of the State Employees' Retirement System, LR 34:97 (January 2008).

§115. Plan Year

- A. The plan year for LASERS shall be July 1-June 30.

AUTHORITY NOTE: Promulgated in accordance with R.S. 11:515.

HISTORICAL NOTE: Promulgated by the Department of Treasury, Board of Trustees of the State Employees' Retirement System, LR 39:120 (January 2013).

§117. Limitations Year

- A. The limitations year for LASERS shall be January 1-December 31.

AUTHORITY NOTE: Promulgated in accordance with R.S. 11:515.

HISTORICAL NOTE: Promulgated by the Department of Treasury, Board of Trustees of the State Employees' Retirement System, LR 39:120 (January 2013).

Chapter 3. Election of Active Member Trustees

§303. Nomination Process

Chapter 3. Election of Active Member Trustees

§301. Eligible Candidates

[Formerly §303.A]

- A. An active member candidate for a position on the board of trustees must be an active member of the system with at least 10 years of credited service (excluding any military service credit) as of the date on which nominations close. Optional retirement plan participants do not acquire service credit and are prohibited from running for trustee positions by §307 of this Chapter.
- B. A participant in the Deferred Retirement Option Plan who has not yet terminated state service and who is still employed by the state is eligible to run as an active member candidate for election to the board of trustees, so long as he qualifies under Subsection A of this Section.
- C. A rehired retiree who has selected Option 2 of R.S. 11:416 or Option 2 of R.S. 11:416.1 is eligible to run as an active member candidate for election to the board of trustees, so long as he qualifies under Subsection A of this Section.
- D. A disability retiree who has returned to work under either R.S. 11:224 or R.S. 11:225 is eligible to run as an active member candidate for election to the board of trustees, so long as he qualifies under subsection A of this Section.

AUTHORITY NOTE: Promulgated in accordance with R.S. 11:511 and R.S. 11:515.

HISTORICAL NOTE: Promulgated by the Department of Treasury, Board of Trustees of the State Employees' Retirement System, LR 22:373 (May 1996), amended LR 23:996 (August 1997), LR 25:1278 (July 1999), LR 26:2633 (November 2000), LR 31:946 (April 2005), LR 34:446 (March 2008), LR 37:1614 (June 2011).

§303. Nomination Process

[Formerly §303.A]

- A. The board of trustees shall accept the name and final four digits of the Social Security number of every candidate nominated by petition of 25 or more active members of the system and shall place the name of such candidates on the ballot, provided each such candidate meets the requirements for trustee. Those active members signing the petition shall also supply the final four digits of their Social Security number. When returning the nominating petition, the candidate should include his qualifications, platform and photograph for inclusion in the election brochure circulated by LASERS. In years where a special election is held, a candidate shall clearly state in his petition whether he is running for a four-year term or for the unexpired portion of the term that is the subject of the special election.

Chapter 3. Election of Active Member Trustees

§305. Vacancies; Special Elections

- B. The printed name of those persons signing the nominating petition must be legible for purposes of verification. Unverifiable signatories shall not count toward the required total of 25 and may disqualify the petition.
- C. In years where a special election is held, a candidate shall clearly state in his petition whether he is running for a four-year term or for the unexpired portion of the term that is the subject of the special election.

AUTHORITY NOTE: Promulgated in accordance with R.S. 11:511 and R.S. 11:515.

HISTORICAL NOTE: Promulgated by the Department of Treasury, Board of Trustees of the State Employees' Retirement System, LR 22:373 (May 1996), amended LR 23:996 (August 1997), LR 25:1278 (July 1999), LR 26:2633 (November 2000), LR 31:946 (April 2005), LR 34:446 (March 2008), LR 37:1615 (June 2011).

§305. Vacancies; Special Elections

- A. The board shall appoint a member to fill any active member vacancy created on the board. The appointee shall possess the necessary qualifications under R.S. 11:511 for the active member position. The board may give due consideration to the runners-up in the previous election, if those members are willing to serve and the appointment does not violate law or these regulations.
- B. The appointment shall be valid only until January 1 of the year following the next election.
- C. When the unexpired term for the vacancy is greater than two years, a special election shall be held to fill the vacancy simultaneous with the election ordinarily held in odd number years. The ballot for the special election may be the same as that used in the regular election. Candidates for four year terms may not also be candidates to complete unexpired terms.
- D. The deadlines and procedures for special elections shall be identical to those for elections normally held in years ending with odd numbers.

AUTHORITY NOTE: Promulgated in accordance with R.S. 11:511, R.S. 11:512 and R.S. 11:515.

HISTORICAL NOTE: Promulgated by the Department of the Treasury, Board of Trustees of the State Employees' Retirement System, LR 22:373 (May 1996), amended LR 23:997 (August 1997), LR 35:271 (February 2009), LR 37:1615 (June 2011).

§307. Optional Retirement Plan Participants

- A. Because optional retirement plan participants do not acquire service credit for purposes of determining eligibility under R.S. 11:511(4), these participants are not eligible to vote in the trustee elections or run for a position on the board of trustees.

AUTHORITY NOTE: Promulgated in accordance with R.S. 11:511 and R.S. 11:515.

HISTORICAL NOTE: Promulgated by the Department of Treasury, Board of Trustees of the State Employees' Retirement System, LR 26:2633 (November 2000), amended LR 37:1615 (June 2011).

Chapter 4. Rules Common to the Election of Both Active and Retired Member Trustees

§401. General Schedule of Elections

[Formerly §§301 and 501.B]

A. Elections shall be held in years ending with an odd number.

1. Three active member trustees shall be chosen in each election and shall serve a four-year term.
2. Beginning in 1995 and continuing thereafter every four years, two retired member trustees shall be chosen in an election and shall serve a four year term. Beginning in 1997 and continuing thereafter every four years, a single retired trustee shall be chosen in an election and shall serve a four year term.

B. The schedule for elections shall be as follows:

1. first day in March: nominations shall be opened;
2. second Tuesday in July: nominations shall be closed. All nominating petitions must be received by the close of business (4:30 p.m. Central time);
3. Monday following second Tuesday in July: a drawing shall be held to determine candidate positions on a ballot;
4. fourth Friday in September: the final day that information on candidates and ballots may be mailed;
5. fourth Friday in October: all ballots or electronic votes must be received by the close of business (4:30 p.m. central time). No faxed ballots shall be accepted;
6. Wednesday following fourth Friday in October: all ballots and electronic votes shall be tallied and verified by this date;
7. regular November meeting: the board shall be presented with the certified ballot count, and if it is accepted, shall authorize publication of results;
8. January following election: newly elected members receive orientation; oaths shall be taken prior to the regular January meeting.

C. In order to facilitate the election process, in the event of a disaster or emergency declared by executive order or proclamation of the governor, the executive director may change the election schedule. Such a schedule change shall be in effect for a single election cycle only, after which the schedule shall return to that set forth in Subsection B of this Section.

Chapter 4. Rules Common to the Election of Both Active and Retired Member Trustees

§403. Receipt of Nominating Petitions

AUTHORITY NOTE: Promulgated in accordance with R.S. 11:511 and R.S. 11:515.

HISTORICAL NOTE: Promulgated by the Department of Treasury, Board of Trustees of the State Employees' Retirement System, LR 22:373 (May 1996), amended LR 23:996, 997 (August 1997), LR 25:1278 (July 1999), LR 26:2633 (November 2000), LR 33:1151 (June 2007), LR 34:446, 447 (March 2008), LR 37:1615 (June 2011), LR 39:119 (January 2013).

§403. Receipt of Nominating Petitions

- A. Signed nominating petitions will be accepted if received by facsimile or emailed by the date nominations are closed so long as original nominating petitions are received by 4:30 p.m. central time on the first Friday following the close of nominations. If originals are not received by that deadline, the person in whose name they are submitted shall not be qualified as a candidate.

AUTHORITY NOTE: Promulgated in accordance with R.S. 11: 511 and R.S. 11:515.

HISTORICAL NOTE: Promulgated by the Department of Treasury, Board of Trustees of the State Employees' Retirement System, LR 37:1616 (June 2011).

§405. Election Process

[Formerly §§303.C-I and 503.C-J]

- A. Active Members. Ballots or election brochures shall be distributed to each active member by the fourth Friday in September. This includes active members who are not deemed by LASERS to be retired before July 1 of the year in which the election is to take place and participants in the DROP program who have not terminated service.
- B. Retired Members. Ballots or election brochures shall be distributed to each retired member by the fourth Friday in September. A member who is deemed by LASERS to be retired before July 1 of the year in which the election is to take place shall be considered a retired member for the purposes of this Section.
- C. There shall be a drawing as set forth in LAC 58:I.401 in the retirement systems building, 8401 United Plaza Boulevard, Baton Rouge, LA, to determine the position each candidate shall have on the ballot or election brochure.
- D. Each active member may vote for three candidates.
- E. Each retiree may vote for two candidates during the election when two retiree members are up for election, but may only vote for one candidate during the election where only one retiree member is up for election. If electronic voting methods are utilized, members shall follow the instructions on the election brochure for registering their votes.
- F. If electronic voting methods are utilized, members shall follow the instructions on the election brochure for registering their votes. Votes shall be confidential. Ballots or

Chapter 4. Rules Common to the Election of Both Active and Retired Member Trustees

§407. Winning Candidates

electronic votes received after the close of business on the fourth Friday in October (4:30 p.m. central time) shall be rejected. Ballots must be returned to the address set forth in the instructions on the election brochure.

- G. Votes shall be tallied in accordance with the general schedule of elections.
- H. The executive director shall submit a written report of the election results to the board of trustees no later than the regular November meeting of the board of trustees.
- I. Upon receipt of the results of the election, the board of trustees shall timely promulgate the election and notify the successful candidates of their election and the secretary of state, so as to allow the candidates sufficient time to take and file the oath of office with the Secretary of State within the time specified by law.

AUTHORITY NOTE: Promulgated in accordance with R.S.11:511 and R.S. 11:515.

HISTORICAL NOTE: Promulgated by the Department of Treasury, Board of Trustees of the State Employees' Retirement System, LR 22:373 (May 1996), amended LR 23:996, 997 (August 1997), LR 25:1278 (July 1999), LR 26:1490 (July 2000), LR 26:2633 (November 2000), LR 31:946, 947 (April 2005), LR 34:446, 447 (March 2008), LR 37:1616 (June 2011), LR 39:119 (January 2013), LR 41:1772 (September 2015).

§407. Winning Candidates

[Formerly §§303.B & G; 501.A and 503.H]

- A. 1. Active Members—the three candidates who receive the most votes shall be declared successful candidates and presented to the board.
- 2. Retired Members—beginning in 1995 and continuing thereafter every four years, the two retired member candidates who receive the most votes shall be declared successful candidates and presented to the board. Beginning in 1997 and continuing thereafter every four years, the retired member candidate who receives the most votes shall be declared the successful candidate and presented to the board.
- B. Ties affecting elected positions shall be decided by a coin toss held by the executive director in the presence of the candidates affected or the representative they designate.
- C. No department in the executive branch of state government may have more than two active trustees serving on the board at the same time. *Ex officio* trustees and their designees do not count toward this limit.
- D. If, after the conclusion of the nomination process, the number of candidates does not exceed or is fewer than the number of open positions for which election is being held, no election shall be held for those positions, and those candidates that are nominated and are qualified shall be deemed successful candidates and presented to the board.

Chapter 4. Rules Common to the Election of Both Active and Retired Member Trustees

§409. Candidates Withdrawing Prior to Election

1. Active Member Trustees' Elections. Any remaining open positions shall be filled in accordance with Title 58, Part I, Chapter 3, §305 of the *Louisiana Administrative Code*.
2. Retired Member Trustees' Elections. Any remaining open positions shall be filled in accordance with Title 58, Part I, Chapter 5, §505 of the *Louisiana Administrative Code*.

E. Subsection D shall apply to both active member trustee elections and retired member trustee elections.

F. For all relevant purposes, those candidates elected under Subsection D shall be considered to have received the maximum number of votes possible.

AUTHORITY NOTE: Promulgated in accordance with R.S. 11:511 and R.S. 11:515.

HISTORICAL NOTE: Promulgated by the Department of Treasury, Board of Trustees of the State Employees' Retirement System, LR 22:373 (May 1996), amended LR 23:996, 997 (August 1997), LR 25:1278 (July 1999), LR 26:1490 (July 2000), LR 26:2633 (November 2000), LR 31:946, 947 (April 2005), LR 34:446, 447 (March 2008), LR 37:1616 (June 2011), LR 39:119 (January 2013), LR 41:1773 (September 2015).

§409. Candidates Withdrawing Prior to Election

A. A candidate may withdraw his candidacy at any time. If he withdraws prior to the deadline for voting, all votes cast for him shall not be counted.

AUTHORITY NOTE: Promulgated in accordance with R.S. 11:511 and R.S. 11:515.

HISTORICAL NOTE: Promulgated by the Department of Treasury, Board of Trustees of the State Employees' Retirement System, LR 37:1616 (June 2011).

§411. No Solicitation

[Formerly §303.J and §503.K]

A. Candidates for election to the LASERS board of trustees shall not solicit employees of LASERS to participate in their campaigns, and LASERS' employees cannot participate, or give assistance to any member who is running for election or re-election to the board. Candidates shall not solicit or have contact with any vendor or employee of a vendor who is providing LASERS with products or services related to elections of the LASERS board of trustees. LASERS employees are free to sign nominating petitions.

AUTHORITY NOTE: Promulgated in accordance with R.S. 11:511 and R.S. 11:515.

HISTORICAL NOTE: Promulgated by the Department of Treasury, Board of Trustees of the State Employees' Retirement System, LR 22:373 (May 1996), amended LR 23:996, 997 (August 1997), LR 25:1278 (July 1999), LR 26:1490 (July 2000), LR 26:2633 (November 2000), LR 31:946, 947 (April 2005), LR 34:446, 447 (March 2008), LR 37:1616 (June 2011).

Chapter 5. Election of Retired Member Trustees

§503. Nomination Process

Chapter 5. Election of Retired Member Trustees

§501. Eligible Candidates

[Formerly §503.A]

- A. A candidate for a position of retired member trustee on the board of trustees must be a retired member of the system who has been on retired status (not including retired status under the Deferred Retirement Option Plan) by the date on which nominations close.
- B. A rehired retiree who selected either Option 1 or Option 3 of R.S. 11:416 or Option 1, Option 3 or Option 4 of R.S. 11:416.1 is eligible to run as a candidate for a position of retired member trustee on the board of trustees.
- C. A participant in the Deferred Retirement Option Plan who has not yet terminated state service and who is still employed by the state is not eligible to run for board election as a retired member candidate.
- D. A disability retiree who has returned to work under either R.S. 11:224 or R.S. 11:225 is not eligible to run as a retired member candidate for election to the board of trustees.

AUTHORITY NOTE: Promulgated in accordance with R.S. 11:511 and R.S. 11:515.

HISTORICAL NOTE: Promulgated by the Department of Treasury, Board of Trustees of the State Employees' Retirement System, LR 22:373 (May 1996), amended LR 23:997 (August 1997), LR 25:1278 (July 1999), LR 26:1490 (July 2000), LR 26:2633 (November 2000), LR 31:947 (April 2005), LR 34:447 (March 2008), LR 37:1617 (June 2011).

§503. Nomination Process

- A. The board of trustees shall accept the name and final four digits of the Social Security number of every candidate nominated by petition of 25 or more retired members of the system and shall place the name of such candidates on the ballot, provided each such candidate meets the requirements for trustee. Those retired members signing the petition shall also supply the final four digits of their Social Security number. When returning the nominating petition, the candidate should include his qualifications, platform and photograph for inclusion in the election brochure circulated by LASERS.
- B. The printed name of those persons signing the nominating petition must be legible for purposes of verification. Unverifiable signatories shall not count toward the required total of 25 and may disqualify the petition.

Chapter 5. Election of Retired Member Trustees

§505. Vacancies; Special Elections

- C. In years where a special election is held, a candidate shall clearly state in his petition whether he is running for a four-year term or for the unexpired portion of the term that is the subject of the special election.

AUTHORITY NOTE: Promulgated in accordance with R.S. 11:511 and R.S. 11:515.

HISTORICAL NOTE: Promulgated by the Department of Treasury, Board of Trustees of the State Employees' Retirement System, LR 37:1617 (June 2011).

§505. Vacancies; Special Elections

[Formerly §507]

- A. The Executive Board of the Retired State Employees Association shall appoint a member to fill any retired member vacancy created on the board. The appointee shall possess the necessary qualifications under R.S. 11:511 for the retired member position.
- B. The appointment shall be valid only until January 1 of the year following the next election.
- C. When the unexpired term for the vacancy is greater than two years, a special election shall be held to fill the vacancy simultaneously with the election ordinarily held in odd number years. The ballot for the special election may be the same as that used in the regular election.
- D. The deadlines and procedures for special elections shall be identical to those for elections normally held in years ending with odd numbers.

AUTHORITY NOTE: Promulgated in accordance with R.S. 11:511, R.S. 11:512 and R.S. 11:515.

HISTORICAL NOTE: Promulgated by the Department of the Treasury, Board of Trustees of the State Employees' Retirement System, LR 23:998 (August 1997), amended LR 37:1617 (June 2011).

Chapter 7. Purchase of Military Service

§703. Requirements for Application to Purchase Military Service

Chapter 7. Purchase of Military Service

§701. Purchase of Military Service

- A. A maximum of four years of credit for military service may be purchased by active members who rendered military service in accordance with R.S. 29:411, 412, and 415.1, provided the active member received a discharge other than dishonorable. This provision shall not be applicable to DROP participants (R.S. 29:415.1).

AUTHORITY NOTE: Promulgated in accordance with R.S. 11:515 and R.S. 11:153.

HISTORICAL NOTE: Promulgated by the Department of Treasury, Board of Trustees of the State Employees' Retirement System, LR 22:373 (May 1996), amended LR 26:1490 (July 2000).

§703. Requirements for Application to Purchase Military Service

- A. In order to apply for purchase of the service, an active member shall:
1. make application to LASERS;
 2. provide a copy of military form DD 214;
 3. certify that he is not drawing a regular retirement benefit based on the military service calculated on the basis of age and service (This restriction does not apply to disability benefits based on 25 percent or less disability received as a result of military service); and
 4. certify that he has not received credit for the service in any other public retirement system;
 5. pay for the calculation of the actuarial calculation to determine the cost to purchase the service.
- B. The active member shall pay the actuarial cost to receive the service credit. Upon receipt of the items listed above, LASERS shall issue an invoice to the active member. The invoice is void if not paid within 90 days after the date issued. Payment shall be made in a lump sum.
- C. Military service not purchased within four years of the active members reemployment under the provisions of Chapter 7 cannot be used to establish eligibility for regular retirement.
- D. If an active member dies before the four-year period of eligibility to repurchase his or her military time, a beneficiary or survivor has the right to pay the required contributions in order to have the member's military service computed in the computation of any death of survivor benefits payable under the system. If the beneficiary or survivor chooses not to pay the member's contribution, the computation of death and survivor

Chapter 7. Purchase of Military Service

§703. Requirements for Application to Purchase Military Service

benefits shall be based on the actual service credit of the active member, excluding his or her military service.

- E. The payment of the cost shall be credited to the active member's account. If the active member later separates from state employment and requests a refund of contributions, the amount paid shall be refunded along with other employee contributions.

AUTHORITY NOTE: Promulgated in accordance with R.S. 11:515 and R.S. 11:153.

HISTORICAL NOTE: Promulgated by the Department of Treasury, Board of Trustees of the State Employees' Retirement System, LR 22:373 (May 1996), amended LR 32:265 (February 2006).

Chapter 9. Retirement Credit for Active Members of the Military Reserves

§903. Exclusions

Chapter 9. Retirement Credit for Active Members of the Military Reserves

§901. Requirements

- A. In order to qualify for retirement credit for military service, at the time the individual was called to active military service, he or she shall have been:
1. a state employee in a position that is other than temporary including, but not limited to, probational and permanent Civil Service positions;
 2. an active member of the Louisiana State Employees' Retirement System;
 3. a member of the Army National Guard of the United States, the Army Reserve, the Naval Reserve, the Marine Corps Reserve, the Air National Guard of the United States, Air Force Reserve, or the Coast Guard Reserve (hereinafter called reservist) called to active duty; and
 4. shall have been released from active duty after satisfactory completion of military duty, in accordance with the provisions of 50 U.S.C. §459. Release shall have been other than dishonorable.
- B. The member, at his option, shall pay the required employee contributions to the retirement system during his period of service in the uniformed service, or if he chooses not to make such payment during his military duty, he is entitled to purchase such credit in accordance with §901 herein.

AUTHORITY NOTE: Promulgated in accordance with R.S. 29:411 and R.S. 11:515.

HISTORICAL NOTE: Promulgated by the Department of Treasury, Board of Trustees of the State Employees' Retirement System, LR 22:373 (May 1996).

§903. Exclusions

- A. Employees who were in temporary positions such as, but not limited to, restricted appointments, job appointments, provisional appointments, and student workers are not eligible for retirement credit. Elected officials and appointed officials in positions established by the constitution or laws of the state are eligible for retirement credit. Reservists who were participating in the Deferred Retirement Option Plan at the time of military service are not eligible to receive service credit.

AUTHORITY NOTE: Promulgated in accordance with R.S. 29:411, R.S. 29:415.1 and R.S. 11:515.

HISTORICAL NOTE: Promulgated by the Department of Treasury, Board of Trustees of the State Employees' Retirement System, LR 22:373 (May 1996).

Chapter 9. Retirement Credit for Active Members of the Military Reserves

§905. Limitations

§905. Limitations

- A. Reservists may not receive more than a total of four years of military service credit in the retirement system for military service.

AUTHORITY NOTE: Promulgated in accordance with R.S. 29:411 and R.S. 11:515.

HISTORICAL NOTE: Promulgated by the Department of Treasury, Board of Trustees of the State Employees' Retirement System, LR 22:373 (May 1996).

§907. Credit for Eligibility or Benefit Purposes

- A. Under the provisions of the Act, a reservist shall receive credit for purposes of determining eligibility for retirement at no cost to the individual or agency. In order to receive credit for purposes of calculating the retirement benefit, contributions shall be paid to the retirement system within four years of release from active military duty. If the employee was on paid leave during the period of active military service, the employee has received retirement credit for that service and no additional information need be furnished to the retirement system.

AUTHORITY NOTE: Promulgated in accordance with R.S. 29:411 and R.S. 11:515.

HISTORICAL NOTE: Promulgated by the Department of Treasury, Board of Trustees of the State Employees' Retirement System, LR 22:373 (May 1996).

§909. Certification of Military Service

- A. In order to receive retirement credit for eligibility or benefits purposes, the employee shall provide:
1. discharge or release notice (Form DD214) and any other pertinent documentation from the appropriate military entity which provides the inclusive dates of active service or discharge from hospitalization incidental to the military service;
 2. documentation from the agency certifying that the reservist was employed in a position other than temporary on the date the active duty began; and
 3. certification from the agency that the reservist applied for reemployment within 90 days of release from military service or discharge from hospitalization incidental to the military service.

AUTHORITY NOTE: Promulgated in accordance with R.S. 29:411 and R.S. 11:515.

HISTORICAL NOTE: Promulgated by the Department of Treasury, Board of Trustees of the State Employees' Retirement System, LR 22:373 (May 1996).

Chapter 9. Retirement Credit for Active Members of the Military Reserves

§915. Death and Survivor Benefits

§911. Differential Payments Made by the Agencies

- A. Many reservists active duty base pay may be less than their state base pay. The reservist may elect to pay contributions on the entire amount of state earnings that would have been received in order to receive retirement credit for benefit purposes.

AUTHORITY NOTE: Promulgated in accordance with R.S. 29:411 and R.S. 11:515.

HISTORICAL NOTE: Promulgated by the Department of Treasury, Board of Trustees of the State Employees' Retirement System, LR 22:373 (May 1996).

§913. Payment of Contributions after Military Service Is Completed

- A. The employer shall pay the employer contribution plus interest.
- B. The amount of contributions is based upon the amount of earnings the employee would have received if still employed. This includes any increases in compensation the employee would have received if he or she had remained in employment during the period of military service. If the employee's compensation varies, such as for legislators, the average monthly earnings for the 12 months preceding the active military service shall be used to determine the amount of contributions.
- C. The employer shall determine the amount of earnings that would have been earned and compute the employee and employer's contributions that are due plus interest. The interest should be calculated from the date the contributions would have been made to the date the payment is made to LASERS. LASERS shall provide interest tables to the agencies for the calculation of interest.
- D. The employee shall pay the employee contributions, plus interest, to the agency. The agency shall remit the employee and employer contributions, plus interest, to LASERS within 30 days after the employee has paid his or her portion. The agency shall provide a monthly breakdown of the earnings and contributions for each reservist and the certification documents to LASERS.
- E. All payments shall be made in a lump sum within four years after the reservist returns to employment in order for the reservist to receive credit for benefit purposes.

AUTHORITY NOTE: Promulgated in accordance with R.S. 29:414 and R.S. 11:515.

HISTORICAL NOTE: Promulgated by the Department of Treasury, Board of Trustees of the State Employees' Retirement System, LR 22:373 (May 1996).

§915. Death and Survivor Benefits

- A. The period of military service received under the provisions of Chapter 9 shall be counted as creditable service for determining eligibility for death and survivor benefits. The amount of survivor benefits payable shall be calculated as provided for in R.S. 11:471 et seq.

Chapter 9. Retirement Credit for Active Members of the Military Reserves

§915. Death and Survivor Benefits

- B. The final average compensation used for the calculation shall be based on the actual earnings of the member. In order for the estimated earnings during the period of military service to be used in the determination of the final average compensation, the employee and employer's contributions shall be paid for the period of military service.

AUTHORITY NOTE: Promulgated in accordance with R.S. 29:414, R.S. 29:415 and R.S. 11:515.

HISTORICAL NOTE: Promulgated by the Department of Treasury, Board of Trustees of the State Employees' Retirement System, LR 22:373 (May 1996).

Chapter 11. Voluntary Deductions from Retiree Benefits Payroll

§1103. Applicant and Vendor Requirements

Chapter 11. Voluntary Deductions from Retiree Benefits Payroll

§1101. Application Process for Voluntary Payroll Deduction

- A. Application shall be made by the company, corporation, or organization which is the provider of coverage, product, service, or recipient of monies and shall be signed by two officers of the applicant company, corporation, or organization. The completed application shall be submitted to LASERS.
- B. The following type providers of services shall be considered for approval:
1. the State Group Benefits program;
 2. the group insurance plan administered by the Department of Employment and Training;
 3. the Retired State Employees' Association;
 4. general insurance companies and other providers that are included on the annual listing maintained by the Office of State Uniform Payroll;
 5. credit unions formed for the primary purpose of serving state employees that have a payroll deduction for employees of the members' agencies;
 6. other member or retiree associations approved by the board of trustees;
 7. vendors receiving payment through voluntary deductions on the effective date of these rules; and
 8. other insurance companies approved by the executive director.
- C. Applicant shall designate a coordinator to act as primary contact with LASERS for resolution of invoicing, refund, and reconciliation problems and resolving claims problems for retirees.

AUTHORITY NOTE: Promulgated in accordance with R.S. 11:515.

HISTORICAL NOTE: Promulgated by the Department of Treasury, Board of Trustees of the State Employees' Retirement System, LR 18:1417 (December 1992), amended LR 22:373 (May 1996), LR 33:676 (April 2007), LR 34:1639 (August 2008).

§1103. Applicant and Vendor Requirements

- A. Authority for payroll deductions shall be governed by this Chapter. General insurance deduction vendors shall meet the following requirements.

Chapter 11. Voluntary Deductions from Retiree Benefits Payroll

§1103. Applicant and Vendor Requirements

1. Foreign companies shall:
 - a. have a current rating in A.M. Best of B+ or better, unless:
 - i. notwithstanding any other law, rule, or regulation to the contrary, and if they are in good standing with the Department of Insurance, and subject to the other applicable provisions of this Section, a foreign company which has participated in the Office of State Uniform Payroll deduction system for a period of at least ten years and has a rating in A.M. Best of B, may continue to market and sell insurance policies through payroll deduction until the beginning of the next open enrollment period following the four-year anniversary date from the date of the issuance of the B rating by A.M. Best, provided they have maintained a rating of B or better for the entire four-year period. Thereafter, in the event that the foreign insurer has maintained a rating of B by A.M. Best and that rating is increased from B to a B+ or better and they meet the other applicable requirements of this Section and other applicable rules and regulations, they may resume marketing and selling insurance through the payroll deduction system; or
 - ii. notwithstanding any other law, rule, or regulation to the contrary, if a foreign company has been participating in the Office of State Uniform Payroll deduction system for a period of at least ten years, and they have a rating in A.M. Best of B, they may maintain and administer indefinitely those policies purchased through payroll deduction as long as they maintain a rating by A.M. Best of no less than a B, are in good standing with the Department of Insurance, and comply with other applicable rules, and regulations, and laws and the provisions of this Section;
 - b. have been doing business under the same name for not less than three years;
 - c. offer like product, service, or coverage to citizens of Louisiana;
 - d. be in compliance with all procedural, accounting, and reporting requirements governing employee deductions.
2. Domestic companies shall:
 - a. have a current rating in A.M. Best of B or better, or if the company is of insufficient size to obtain a rating by A.M. Best, has posted a bond with the division of administration in the amount of:
 - i. \$100,000, if the company is a member insurer of the Louisiana Life and Health Insurance Guaranty Association; or

Chapter 11. Voluntary Deductions from Retiree Benefits Payroll

§1107. Deduction Authorization

- ii. \$250,000, if the company is not a member insurer of the Louisiana Life and Health Insurance Guaranty Association, or if the product for which the deductions are proposed is not covered under the Louisiana Life and Health Guaranty Association Act;
 - b. have been doing business under the same name for not less than three years;
 - c. provide like product, service, or coverage to citizens of Louisiana;
 - d. be in compliance with all procedural, accounting, and reporting requirements of all rules and requirements governing employee deductions.
3. Vendors offered through other state agencies or political subdivisions, if approved by the executive director.

B. Repealed.

AUTHORITY NOTE: Promulgated in accordance with R.S. 11:515.

HISTORICAL NOTE: Promulgated by the Department of Treasury, Board of Trustees of the State Employees' Retirement System, LR 18:1417 (December 1992), amended LR 22:373 (May 1996), LR 33:676 (April 2007), LR 34:1639 (August 2008), LR 35:2477 (November 2009).

§1105. Notification, Implementation and Transition

- A. LASERS shall notify applicant whether applicant is approved as a vendor.
- B. Vendors shall enroll retirees for a monthly deduction amount.
- C. Participation shall be at least 30 or more retirees, if approved by the executive director.
- D. If a vendor falls below the participation level approved by the executive director, LASERS has the right to discontinue the payroll deduction immediately.
- E. Repealed.

AUTHORITY NOTE: Promulgated in accordance with R.S. 11:515.

HISTORICAL NOTE: Promulgated by the Department of Treasury, Board of Trustees of the State Employees' Retirement System, LR 18:1417 (December 1992), amended LR 22:373 (May 1996), LR 35:2478 (November 2009).

§1107. Deduction Authorization

- A. Vendors shall be responsible for obtaining and maintaining appropriate deduction authorizations from individual retirees. Copies shall be made available to LASERS upon request.

Chapter 11. Voluntary Deductions from Retiree Benefits Payroll

§1109. Solicitation of State Retirees

- B. Any disclaimer, contract, or term of participation agreement between the retiree and the vendor or provider shall not be binding on LASERS.
- C. A retiree shall have only one monthly deduction (which may cover more than one benefit) for a single vendor effective at any one time.
- D. Vendor is responsible for submitting a computer file of monthly deductions to LASERS by the twelfth day of the month preceding the deduction using the electronic format and specifications established by LASERS. All deductions for a single vendor shall be submitted on one monthly file.
- E. A retiree may discontinue any voluntary payroll deduction amount by providing written notification of that intent to the vendor. Vendors shall remove these persons from the file.
- F. A retiree cannot authorize total deductions which exceed the amount of the benefit.

AUTHORITY NOTE: Promulgated in accordance with R.S. 11:515.

HISTORICAL NOTE: Promulgated by the Department of Treasury, Board of Trustees of the State Employees' Retirement System, LR 18:1417 (December 1992), amended LR 22:373 (May 1996), LR 35:2478 (November 2009).

§1109. Solicitation of State Retirees

Repealed.

AUTHORITY NOTE: Promulgated in accordance with R.S. 11:515.

HISTORICAL NOTE: Promulgated by the Department of Treasury, Board of Trustees of the State Employees' Retirement System, LR 18:1417 (December 1992), amended LR 22:373 (May 1996), repealed LR 35:2478 (November 2009).

§1111. Vendor Responsibilities

- A. Vendors shall not be authorized to submit any deduction which was obtained from a retiree for the purpose of transmitting any part of that deduction to a third party.
- B. The vendor is responsible for refunding any amounts deducted in error to the individual retiree.
- C. Any information received from LASERS shall be handled in accordance with the Louisiana Public Records law.
- D.-K. Repealed

AUTHORITY NOTE: Promulgated in accordance with R.S. 11:515.

Chapter 11. Voluntary Deductions from Retiree Benefits Payroll

§1119. Termination of Payroll Deduction

HISTORICAL NOTE: Promulgated by the Department of Treasury, Board of Trustees of the State Employees' Retirement System, LR 18:1417 (December 1992), amended LR 22:373 (May 1996), LR 35:2478 (November 2009).

§1113. LASERS Responsibilities

- A. LASERS shall be responsible for making the monthly deductions in the amount that are timely submitted by the vendor.
- B. LASERS shall remit the amount deducted to the vendor and shall provide a listing of all exceptions.
- C. Repealed

AUTHORITY NOTE: Promulgated in accordance with R.S. 11:515.

HISTORICAL NOTE: Promulgated by the Department of Treasury, Board of Trustees of the State Employees' Retirement System, LR 18:1417 (December 1992), amended LR 22:373 (May 1996), LR 35:2478 (November 2009).

§1115. Reporting

- A. Vendors shall report within 10 days of final approval any change in the name, address, company status, principal officers, or designated coordinator to LASERS.
- B.-D. Repealed.

AUTHORITY NOTE: Promulgated in accordance with R.S. 11:515.

HISTORICAL NOTE: Promulgated by the Department of Treasury, Board of Trustees of the State Employees' Retirement System, LR 18:1417 (December 1992), amended LR 22:373 (May 1996), LR 35:2478 (November 2009).

§1117. Fees

Repealed.

AUTHORITY NOTE: Promulgated in accordance with R.S. 11:515.

HISTORICAL NOTE: Promulgated by the Department of Treasury, Board of Trustees of the State Employees' Retirement System, LR 18:1417 (December 1992), amended LR 22:373 (May 1996), repealed LR 35:2478 (November 2009).

§1119. Termination of Payroll Deduction

- A. Unethical conduct or practices of the vendor shall result in the termination of deduction authority for that vendor.
- B. Payroll deduction authority may be revoked for any vendor that is removed from the annual listing maintained by the Office of State Uniform Payroll.

Chapter 11. Voluntary Deductions from Retiree Benefits Payroll

§1121. General Provisions

C. Payroll deduction authority may be revoked for any vendor that fails to comply with requirements of this rule.

D. Repealed.

AUTHORITY NOTE: Promulgated in accordance with R.S. 11:515.

HISTORICAL NOTE: Promulgated by the Department of Treasury, Board of Trustees of the State Employees' Retirement System, LR 18:1417 (December 1992), amended LR 22:373 (May 1996), LR 35:2478 (November 2009).

§1121. General Provisions

A. Payroll deduction authorization shall not be transferred.

B. Approval of an applicant in no way constitutes endorsement or certification of the applicant or vendor or its products or services.

AUTHORITY NOTE: Promulgated in accordance with R.S. 11:515.

HISTORICAL NOTE: Promulgated by the Department of Treasury, Board of Trustees of the State Employees' Retirement System, LR 18:1417 (December 1992), amended LR 22:373 (May 1996).

Chapter 13. Emergency Refunds

§1303. Procedure for an Emergency Refund

Chapter 13. Emergency Refunds

§1301. Conditions Giving Rise to an Emergency Refund

- A. A refund of accumulated employee contributions may be made in less than 30 calendar days after the date of separation from state service in the following situations:
1. the refund results from the death of the member; or
 2. the member has significant expenses for medical care for himself, spouse, or child; or
 3. an emergency situation of the member, which shall consist of the foreclosure on a member's domicile, repossession of the member's vehicle, or eviction of the member from his or her apartment. A document filed in the official legal proceeding for foreclosure or repossession or a notice of eviction shall be required as proof to qualify under this provision.
- B. The member shall provide a written request detailing the emergency situation and the executive director shall approve or disapprove the request based on this written request.
- C. Emergency refunds are available on a one-time basis only. Once a member has taken advantage of this single opportunity and has received a refund under the terms of this Chapter, that member shall no longer be eligible for an emergency refund.

AUTHORITY NOTE: Promulgated in accordance with R.S. 11:515 and R.S. 11:537(B).

HISTORICAL NOTE: Promulgated by the Department of the Treasury, Board of Trustees of the State Employees' Retirement System, LR 22:373 (May 1996), amended LR 23:1710 (December 1997), LR 31:107 (January 2005), LR 32:1466 (August 2006).

§1303. Procedure for an Emergency Refund

- A. The member or beneficiary shall provide a copy of the death certificate, a doctor's statement of total and permanent disability, a copy of medical invoices, or copies of other pertinent documentation to qualify for the emergency refund. Outstanding bills must be payable prior to the date the individual would otherwise receive the refund, or other like economic hardship must be shown to be considered sufficient reason for declaring an emergency situation.

Chapter 13. Emergency Refunds

§1305. Responsibility for Overpayment of a Refund

- B. Upon receipt of the documentation and approval by the executive director, the retirement system shall issue the refund at the next scheduled date for issuing refund checks. The refund amount shall include all employee contributions received from the employing agency and posted to the individual's account. Any additional contributions received at a later date from the agency shall be refunded to the individual after they are received and posted to the account.

AUTHORITY NOTE: Promulgated in accordance with R.S. 11:515 and 537(B).

HISTORICAL NOTE: Promulgated by the Department of Treasury, Board of Trustees of the State Employees' Retirement System, LR 22:373 (May 1996).

§1305. Responsibility for Overpayment of a Refund

- A. If the amount that is refunded is greater than the amount actually due the individual, the agency paying the contributions shall be responsible for recouping any overpayment from the individual who was overpaid.

AUTHORITY NOTE: Promulgated in accordance with R.S. 11:515 and 11:537(B).

HISTORICAL NOTE: Promulgated by the Department of the Treasury, Board of Trustees of the State Employees' Retirement System, LR 22:373 (May 1996), amended LR 23:1711 (December 1997).

Chapter 15. Purchases and Transfers of Service
§1503. Transfers of Service; Other Requirements

Chapter 15. Purchases and Transfers of Service

§1501. Purchases and Transfers of Service; Calculations; Costs

- A. The purchase of service on an actuarial basis and the transfer of service from other public retirement systems into LASERS requires an actuarial calculation by the system actuary.
- B. The cost of this calculation shall be paid by the member requesting the calculation. Payment must be made before the request for the calculation will be forwarded to the actuary.

AUTHORITY NOTE: Promulgated in accordance with R.S. 11:424, 11:446 and 11:515.

HISTORICAL NOTE: Promulgated by the Department of Treasury, Board of Trustees of the State Employees' Retirement System, LR 22:373 (May 1996), amended LR 32:265 (February 2006).

§1503. Transfers of Service; Other Requirements

- A. In order to transfer service credit from other public retirement systems into LASERS, the person seeking such a transfer must be:
1. an active member contributing to the LASERS at the time they apply for the transfer; or
 2. an active member of a public retirement system maintained primarily for officers and employees of the state of Louisiana, or any political subdivision thereof, or of any district, board, commission, or other agency of either, or any other such public entity who has been a member of such system for at least six months and who has membership credit in such system shall have the option of transferring all of his credit from such system he is currently contributing to or to the system in which he last contributed. However, membership in a public retirement system cannot be changed to another public retirement system, and any person participating in DROP cannot transfer any service credit into or out of that retirement system.

AUTHORITY NOTE: Promulgated in accordance with R.S. 11:143 and R.S. 11:515.

HISTORICAL NOTE: Promulgated by the Department of Treasury, Board of Trustees of the State Employees' Retirement System, LR 22:373 (May 1996).

Chapter 17. Purchases of Service by Reinstated Employees

§1701. Purchases of Service by Reinstated Employees

Chapter 17. Purchases of Service by Reinstated Employees

§1701. Purchases of Service by Reinstated Employees

- A. When an employee is reinstated to a position in state government by the Department of Civil Service or a court of law, the employee is entitled to receive retirement service credit for the period of time that is reinstated provided payment of employee and employer contributions, plus interest, is made to the retirement system within 60 days of the reinstatement.
- B. If reinstated, the employee shall pay an amount equal to the current employee's contributions based on the earned compensation for the period of time that was reinstated. The employing agency shall pay the employer contributions that would have been due plus compound interest at the actuarial valuation rate for all contributions payable from the date the contribution was due until paid.
- C. When a reinstated employee is entitled to back pay from the employing agency, the agency shall remit the employer and employee's contributions that would have been due if the employee had been employed during that time, plus interest. The agency shall also provide LASERS with a report of earnings on a monthly basis for the period for which the individual was reinstated.
- D. If a member has received a refund of contributions after a wrongful termination, he must repay the refund not later than the sixtieth day following the first day the member returns to work after reinstatement is ordered for the member's retirement status and service credit to be fully restored.
- E. Any costs to the retirement system associated with these procedures shall be paid by the employing agency.

AUTHORITY NOTE: Promulgated in accordance with R.S. 11:515.

HISTORICAL NOTE: Promulgated by the Department of Treasury, Board of Trustees of the State Employees' Retirement System, LR 22:373 (May 1996), amended LR 25:2466 (December 1999).

§1703. Effect of Reinstatement

- A. Employees reinstated into state government shall be entitled to purchase service credit as provided in this Chapter, and the employee shall be treated as if he was a member during this period of purchased service credit, except that the reinstated employee will not be entitled to partial repurchase provisions for the service credit that is reinstated through legal action.
- B. The reinstated employee's date of hire prior to the wrongful termination shall be used for retirement purposes, if any contribution refund that the member received is repaid not later than the sixtieth day following the first day the member returns to work after reinstatement is ordered. If the member repays all or any portion of such contribution refund after the sixtieth day following the first day the member

Chapter 17. Purchases of Service by Reinstated Employees

§1707. Repayment of Refund of Contributions

returns to work after reinstatement is ordered, the repayment shall be treated in the same manner as a payment for any other refund and the date of hire for retirement purposes shall be the first day the member returns to work after reinstatement is ordered.

AUTHORITY NOTE: Promulgated in accordance with R.S. 11:515.

HISTORICAL NOTE: Promulgated by the Department of Treasury, Board of Trustees of the State Employees' Retirement System, LR 22:373 (May 1996), amended LR 25:2466 (December 1999).

§1705. Service Credit for Dual Employment

- A. Any active member who qualifies to purchase service credit under the provisions of R.S. 11:191.B may purchase the service credit to which he would have been entitled in the system had he been an active contributing member of the retirement system during the full term of his employment by paying to the system an amount that totally offsets the actuarial cost of the receipt of the service credit.
- B. The employer for that employee may pay one-half of the actuarial cost of the receipt of the service credit, thereby reducing the member's cost to one-half of the actuarial cost of the service credit. If the employer pays one-half of the actuarial cost for one employee, it shall be obligated to pay one-half of the actuarial cost of all employees who qualify to purchase this service credit.
- C. The full amount must be received by the system, whether the member is paying the full cost, or the employer is paying one-half and the member one-half, prior to any service credit being attributed to a member's account. The amount must be paid in a lump sum.
- D. A fee of at least \$75 (to be set by the system's actuary) must be paid to the system's actuary by the individual requesting the calculation. Payment must be made before the request for calculation will be forwarded to the actuary.

AUTHORITY NOTE: Promulgated in accordance with R.S. 11:515.

HISTORICAL NOTE: Promulgated by the Department of Treasury, Board of Trustees of the State Employees' Retirement System, LR 22:373 (May 1996).

§1707. Repayment of Refund of Contributions

- A. A member who received a refund of employee contributions may repay the refund after the member has returned to state service and contributed to the system for a minimum of 18 months, by paying to the system the employee contribution refund plus interest compounded annually at the actuarial valuation rate for all contributions payable from the date the refund was issued until paid in one lump sum, or by partial repayment in accordance with the following Section.

Chapter 17. Purchases of Service by Reinstated Employees

§1709. Partial Repayment of Refund of Contributions

- B. Repayment of refunds must be completed prior to retirement or beginning participation in DROP.

AUTHORITY NOTE: Promulgated in accordance with R.S. 11:515.

HISTORICAL NOTE: Promulgated by the Department of Treasury, Board of Trustees of the State Employees' Retirement System, LR 25:2467 (December 1999).

§1709. Partial Repayment of Refund of Contributions

- A. If a member elects to repay part of a refund, he must repay the contributions for the most recent service credit first. For example, if a member received a refund for service from January 1, 1991 through December 31, 1993, and elects to repay one year of service, he/she must repay the contributions for 1993 first.
- B. Partial payments must be made in increments based on service within a calendar year with the most recent year(s) repaid first. Example: A member worked from June 1, 1990 through April 30, 1993 then received a refund. The refund may be repaid in the following order:
1. January 1, 1993 through April 30, 1993;
 2. January 1 through December 31, 1992;
 3. January 1 through December 31, 1991; then
 4. June 1 through December 31, 1990.
- C. If a member has both full time and part time service credit that was refunded, the years of full time service must be repaid first. When there is both full time and part time service within the calendar year(s), LASERS shall have the authority to determine the calendar year of service credit that must be repaid first. As a general rule, the year(s) with the most full time service must be repaid before the year(s) with more part time service.
- D. Upon receipt of the partial payment, the service credit for the calendar year repaid will be restored to the member.
- E. A member may receive three invoices in a 12-month period at no cost. Each additional invoice within the 12-month period will cost \$75 each.
- F. Interest at the actuarial rate will be calculated from the date of the refund was issued to the date of the repayment. Interest will be compounded on an annual basis.
- G. The partial repayment must be made in a single payment.

AUTHORITY NOTE: Promulgated in accordance with R.S. 11:515.

HISTORICAL NOTE: Promulgated by the Department of Treasury, Board of Trustees of the State Employees' Retirement System, LR 25:2467 (December 1999), amended LR 29:2859 (December 2003).

Chapter 19. Survivors' Benefits

§1905. Proof of Entitlement to a Survivors' Benefit

Chapter 19. Survivors' Benefits

§1901. Application for Benefits

- A. Survivors' benefits are payable only upon application therefor, but the benefit becomes effective as of the day following the death of the member.

AUTHORITY NOTE: Promulgated in accordance with R.S. 11:471 and R.S. 11:515.

HISTORICAL NOTE: Promulgated by the Department of Treasury, Board of Trustees of the State Employees' Retirement System, LR 22:373 (May 1996).

§1903. Qualified Survivors

- A. The following individuals qualify for survivors' benefits:

1. surviving spouse with minor children;
2. handicapped or mentally retarded children;
3. surviving minor child not in custody of surviving spouse; and
4. surviving spouse without minor child.

- B. The survivors' benefit is a single benefit payable to multiple qualifying groups. If more than one individual qualifies for the benefit, the benefit shall be prorated between or among the qualified individuals in accordance with law.

AUTHORITY NOTE: Promulgated in accordance with R.S. 11:472, R.S. 11:473, R.S. 11:474, R.S. 11:475, R.S. 11:480 and R.S. 11:515.

HISTORICAL NOTE: Promulgated by the Department of Treasury, Board of Trustees of the State Employees' Retirement System, LR 22:373 (May 1996).

§1905. Proof of Entitlement to a Survivors' Benefit

- A. Each survivor benefit recipient shall present proof to LASERS upon application, and annually or at such other times LASERS feels necessary, that he is legally entitled to the survivor's benefit. If the applicant for the benefit fails to present such proof to LASERS, LASERS shall deny such benefit to the applicant or discontinue the benefit if the recipient fails to provide such proof upon reasonable request.

AUTHORITY NOTE: Promulgated in accordance with R.S. 11:477 and R.S. 11:515.

HISTORICAL NOTE: Promulgated by the Department of Treasury, Board of Trustees of the Louisiana State Employees' Retirement System, LR 22:373 (May 1996).

Chapter 19. Survivors' Benefits

§1907. Qualification for Benefit to Handicapped Children

§1907. Qualification for Benefit to Handicapped Children

- A. Totally physically disabled or mentally handicapped children of deceased members who are not dependent upon the surviving spouse of the member or some other legal guardian and who do not also receive state assistance are eligible under the provisions of Chapter 19.
- B. In order to cover this area not addressed by the statute, it will be the policy of the Louisiana State Employees' Retirement System to pay survivor's benefits to otherwise qualified physically disabled or handicapped children of deceased members who have neither a surviving parent or legal guardian if such child, or a person holding a power of attorney or other legal authority to act on behalf of such child, provides to the system adequate annual documentation demonstrating that benefit payments will be used exclusively for the support and care of the child.

AUTHORITY NOTE: Promulgated in accordance with R.S. 11:515.

HISTORICAL NOTE: Promulgated by the Department of Treasury, Board of Trustees of the State Employees' Retirement System, LR 22:373 (May 1996).

§1909. Children of Previous Marriage

- A. If a married member has major children of a prior marriage and no minor children of the present marriage, that member may direct LASERS to divide the benefit for a surviving spouse without minor children between the member's current spouse and the children of the prior marriage on a pro rata basis with the interest of the current spouse based on the ratio of the length of the current marriage to the total state service of the member. For this benefit to be effective, the member must notify LASERS, in writing, that the member desires this benefit. LASERS must receive this notification prior to the member's death.

AUTHORITY NOTE: Promulgated in accordance with R.S. 11:475 and R.S. 11:515.

HISTORICAL NOTE: Promulgated by the Department of Treasury, Board of Trustees of the State Employees' Retirement System, LR 22:373 (May 1996).

Chapter 21. Credit for Part-Time Service and Service in Multiple Positions

§2101. Credit for Part-Time Service and Service in Multiple Positions

Chapter 21. Credit for Part-Time Service and Service in Multiple Positions

§2101. Credit for Part-Time Service and Service in Multiple Positions

- A. Members of the Louisiana State Employees' Retirement System shall receive service credit, up to a maximum of one year of service per calendar year, for all service which is rendered for an employer agency, as defined in R.S. 11:403(12), and which is state service, as defined in R.S. 11:403(28).
- B. All compensation for such service, which meets the criteria of R.S. 11:403, shall be recognized by the system, and employer and employee contributions must be paid thereon.
- C. Any employee who is part-time, seasonal, or temporary, as defined in 26 CFR 31:312(b)(7)-2, or in any successor regulation, shall not be or become a member of the system, except membership for these employees shall be mandatory if the employee has 10 or more years' creditable service in the system.

AUTHORITY NOTE: Promulgated in accordance with R.S. 11:515.

HISTORICAL NOTE: Promulgated by the Department of Treasury, Board of Trustees of the State Employees' Retirement System, LR 22:373 (May 1996).

Chapter 23. Renunciation of Benefit

§2301. Terms and Conditions of Renunciation of Benefit

Chapter 23. Renunciation of Benefit

§2301. Terms and Conditions of Renunciation of Benefit

- A. Any person eligible to receive, or receiving, a benefit from the Louisiana State Employees' Retirement System may renounce such benefit under the following terms and conditions.
1. The renunciation shall be unconditional and irrevocable. Once a benefit is renounced, LASERS shall have no further obligation or liability with respect to that benefit, and the person renouncing the benefit shall, under no circumstances, be eligible to receive that benefit.
 2. A base benefit may be renounced in whole or in part. An adjustment to a base benefit (cost-of-living adjustment, adjustment for inflation, or one-time supplemental payment) may only be renounced in its entirety. If an adjustment is renounced, the base benefit need not be renounced.
 3. If more than one person is entitled to receive a particular survivor benefit, each person entitled to a portion of the benefit may renounce his entitlement. The person or persons who continue to have an entitlement in that benefit shall receive the benefit to which they are entitled without consideration of the person who becomes ineligible through renunciation. Any adjustment shall be prospective only.
 4. If the party making the renunciation is married, the spouse must join in the renunciation.
 5. If the person making the renunciation is subject to an executed and effective community property settlement, only that portion of the benefit due the person making the renunciation may be renounced, except as provided for in R.S. 11:446.E.
 6. If the person making the renunciation is legally separated or divorced, but is not subject to an executed and effective community property settlement, the renunciation must be approved by the court having jurisdiction over the separation or divorce.
 7. If the person making the renunciation is retired and has named a joint and survivor beneficiary, the renunciation cannot affect the joint and survivors' beneficiary or benefit, including adjustments to the joint and survivor benefit.
 8. If a benefit is renounced by a member prior to receipt by the member of a sum equal to his or her accumulated contributions, the balance of the accumulated contributions will be paid to the member.

Chapter 23. Renunciation of Benefit

§2301. Terms and Conditions of Renunciation of Benefit

9. A renunciation must be made on a form provided by LASERS, and must be executed before a notary public and two witnesses, neither of whom may be a spouse nor presently named beneficiary. The renunciation is effective and irrevocable when received by LASERS.
 10. A person revoking or participating in renunciation of a benefit must hold LASERS harmless from such action.
 11. A renunciation may not be used to terminate active participation in LASERS.
 12. Amounts credited to a DROP account cannot be renounced.
 13. A benefit or portion of a benefit that has been renounced may be used to recoup benefits or refunds of accumulated contributions paid by administrative error or mistake.
 14. Only those persons who have selected the maximum benefit or Option 1 under R.S. 11:441 may renounce their entire monthly benefit.
- B. LASERS makes no representation with respect to the effect of a renunciation on a person's eligibility for receipt of any state or federal benefits, or for participation in any private, local, state, or federal program. Eligibility for or participation in such programs, or eligibility for or receipt of such benefits, is an issue for which the person making the renunciation is solely responsible. Ineligibility for or termination of participation in such programs or benefits shall not affect the irrevocable character of the renunciation.

AUTHORITY NOTE: Promulgated in accordance with R.S. 11:452 and R.S. 11:515.

HISTORICAL NOTE: Promulgated by the Department of Treasury, Board of Trustees of the State Employees' Retirement System, LR 22:373 (May 1996), amended LR 33:112 (January 2007).

Chapter 25. Procedures for Processing Disability Applications

§2501. Application for Disability Retirement

Chapter 25. Procedures for Processing Disability Applications

§2501. Application for Disability Retirement

- A. Applications for disability retirement shall be submitted in accordance with instructions provided to the applicant or applicant's employer by LASERS, and shall be reviewed as follows.
1. Upon receipt of a disability application, LASERS shall verify applicant's eligibility within five business days of receipt of the application.
 2. The application, examining physician's report, the disability report by immediate supervisor, and report by applicant's human resource administrator shall be reviewed for completeness.
 3. If the application or any of the required forms are incomplete or missing, the applicant shall be notified in writing, and will have 10 business days to furnish the requested information. If the applicant fails to comply with this request the application shall be rejected as ineligible.
- B. Whether the applicant is determined to be eligible or ineligible to apply for disability, the applicant shall be notified in writing by LASERS within 10 business days of the determination.

AUTHORITY NOTE: Promulgated in accordance with R.S. 11:515.

HISTORICAL NOTE: Promulgated by the Department of Treasury, Board of Trustees of the State Employees' Retirement System, LR 22:373 (May 1996), amended LR 24:1957 (October 1998), LR 27:1580 (September 2001).

§2503. Disability Board Physician's Recommendation

- A. LASERS shall determine the appropriate State Medical Disability Board physician to perform the initial medical review, based on the area of medical specialty most closely related to applicant's disability.
- B. If the State Medical Disability Board does not have a physician practicing in the requisite specialty, LASERS shall appoint a physician who practices in the requisite specialty to the board or as an alternate physician to perform the initial medical review.
- C. The State Medical Disability Board physician shall determine from his review whether to conduct a medical examination of the applicant, or waive the medical examination because obvious and overwhelming medical evidence of disability exists to his satisfaction.
- D. State Medical Disability Board physician shall determine that a medical examination is needed to determine whether an applicant is eligible for a disability retirement, LASERS shall schedule an appointment with the appropriate board physician. The applicant shall be notified of the appointment date and time in writing. The initial

Chapter 25. Procedures for Processing Disability Applications

§2505. Final Determination

examination shall be completed within six weeks of the date the completed disability application is received and eligibility is verified by LASERS.

- E. LASERS shall pay the cost of the initial medical examination, including cost of laboratory tests, X-rays, and other direct examination procedures. If the applicant fails to appear for this medical examination and the physician charges a cancellation fee, the applicant shall be responsible for this fee.

AUTHORITY NOTE: Promulgated in accordance with R.S. 11:515.

HISTORICAL NOTE: Promulgated by the Department of Treasury, Board of Trustees of the State Employees' Retirement System, LR 22:373 (May 1996), amended LR 24:1958 (October 1998), LR 27:1580 (September 2001).

§2505. Final Determination

- A. 1. LASERS shall review the State Medical Disability Board physician's recommendation and, based on that recommendation, either approve or disapprove the application. An applicant shall be considered as certified totally disabled when the State Medical Disability Board physician declares the applicant to be totally incapacitated for the further performance of the normal duties of the job and states that such incapacity is likely to be permanent. In all cases, the examining physician shall make a recommendation if the application should be approved or disapproved. If the physician's recommendation is unclear, the file shall be forwarded to the disability manager for review. The disability manager shall contact the physician for clarification of the recommendation.
2. If a correction officer, probation or parole officer, or security officer of the Department of Public Safety and Corrections, or an employee of the enforcement division in the Department of Wildlife and Fisheries is found to be permanently totally or partially disabled the applicant shall be entitled to a disability retirement benefit in accordance with either R.S. 11:212(B) or 214, as applicable.
- B. If the disability manager cannot make a clear determination, the file shall be sent to LASERS' executive director, who shall contact the examining physician for clarification, or another State Medical Disability Board physician for consultation, or an appointed alternate physician shall be consulted when necessary.
- C. Any unusual applications shall immediately be presented to the executive director for his review and determination on how it should best be handled.
- D. When the final determination is made, the applicant shall be notified in writing and a copy shall be forwarded to applicant's agency.
- E. A final determination shall be made within 120 days from the date the completed application is verified by LASERS.

Chapter 25. Procedures for Processing Disability Applications

§2507. Contesting Board Physician's Determination

- F. Disability benefits shall accrue from the date the application was filed or from the day following exhaustion of all sick leave or annual leave claimed by applicant, whichever is later. If an applicant elects to remain on unused sick or annual leave past the 120 days necessary to complete his application, a waiver shall be signed by the applicant and a re-exam shall be scheduled at LASERS' expense after one year from date of application.

AUTHORITY NOTE: Promulgated in accordance with R.S. 11:515.

HISTORICAL NOTE: Promulgated by the Department of Treasury, Board of Trustees of the State Employees' Retirement System, LR 22:373 (May 1996), amended LR 24:1958 (October 1998), LR 27:1580 (September 2001).

§2507. Contesting Board Physician's Determination

- A. If the certification of the examining physician is contested by either the applicant or LASERS, the contesting party shall have the right to a second medical examination if a written appeal is filed within 30 days of notification of the initial determination.
- B. The second examination shall be performed by a State Disability Board Physician, or appointed alternate physician. LASERS shall schedule the appointment and notify the applicant of the time and place of the second examination in writing.
- C. The cost of the second examination shall be paid by the contesting party. If the applicant fails to appear for this examination and the physician charges a cancellation fee, the applicant shall be responsible for this fee.
- D. If the second physician concurs in the findings and recommendations of the first physician, the original decision shall stand as final and binding on the parties.
- E. If the second physician disagrees with the first physician's finding and recommendation, the two physicians shall select a third physician to conduct another examination. The findings and recommendations of the third physician shall be binding, and the cost of the third physician shall be paid by LASERS if the applicant is certified disabled, or by the applicant if the disability claim is denied. If the applicant fails to appear for this examination and the physician charges a cancellation fee, the applicant shall be responsible for this fee.

AUTHORITY NOTE: Promulgated in accordance with R.S. 11:515.

HISTORICAL NOTE: Promulgated by the Department of Treasury, Board of Trustees of the State Employees' Retirement System, LR 22:373 (May 1996), amended LR 24:1958 (October 1998), LR 27:1581 (September 2001).

Chapter 25. Procedures for Processing Disability Applications

§2511. Certification of Continuing Eligibility

§2509. Judicial Appeal

- A. The applicant has the right to appeal the decision that applicant is not entitled to a disability retirement to the Nineteenth Judicial District Court, Parish of East Baton Rouge. This appeal shall be filed within 30 days of the receipt of the final medical decision.

AUTHORITY NOTE: Promulgated in accordance with R.S. 11:515.

HISTORICAL NOTE: Promulgated by the Department of Treasury, Board of Trustees of the State Employees' Retirement System, LR 22:373 (May 1996), amended LR 24:1959 (October 1998), LR 27:1581 (September 2001).

§2511. Certification of Continuing Eligibility

- A. LASERS may require a disability retiree to complete an annual attending physician statement ("AAPS") once each year during the first five years following the disability retirement and once in every three years thereafter until the retiree has reached the equivalent age of regular retirement unless the medical evidence shows conclusively that the disability retiree cannot recover from the disability. The AAPS must be returned within 30 business days of the anniversary date of the accrual of retirement benefits by the disability retiree. Depending on the results of the AAPS LASERS may require a disability retiree to undergo a medical examination.
- B. If a medical examination is required LASERS shall schedule the appointment with a state medical board or appointed alternate physician and notify the disability retiree of the appointment time and place in writing. LASERS must pay the cost of this examination. If the retiree fails to appear for this examination and the physician charges a cancellation fee, the retiree shall be responsible for this fee.
- C. The disability retiree shall be notified in writing of the physician's determination. If the physician does not recommend continuing disability, the disability retiree has the same appeal rights as the original applicant as set forth in §2507 herein.
- D. If the disability retiree refuses to submit to the examination, or fails to submit the AAPS in the manner set out above, his benefit shall be discontinued until he agrees to the examination or submits the AAPS. The benefit will be discontinued 30 days after written notification to the disability retiree. If the refusal continues for one year, all of the retiree's rights in and to the disability benefit shall be revoked.

AUTHORITY NOTE: Promulgated in accordance with R.S. 11:515 and R.S. 11:220.

HISTORICAL NOTE: Promulgated by the Department of Treasury, Board of Trustees of the State Employees' Retirement System, LR 22:373 (May 1996), amended LR 24:1959 (October 1998), LR 26:1490 (July 2000), LR 27:1581 (September 2001), LR 32:265 (February 2006), LR 38:836 (March 2012).

Chapter 25. Procedures for Processing Disability Applications

§2513. Limitation on Earnings

§2513. Limitation on Earnings

Repealed.

AUTHORITY NOTE: Promulgated in accordance with R.S. 11:515.

HISTORICAL NOTE: Promulgated by the Department of Treasury, Board of Trustees of the State Employees' Retirement System, LR 22:373 (May 1996), amended LR 24:1959 (October 1998), LR 27:1581 (September 2001), LR 38:836 (March 2012), repealed LR 42:69 (January 2016).

§2515. Report to the Board of Trustees

- A. The applicants' names and disposition of applications shall be provided to the board in addition to the monthly retirement supplement for the board's ratification.
- B. The board shall receive a summary report of the number of applications received, the number approved, the number disapproved, a summary of the types of disabilities, the average age of approved applicants, the average number of years of state service, and the agencies of the applicants annually in March for the previous calendar year.

AUTHORITY NOTE: Promulgated in accordance with R.S. 11:515.

HISTORICAL NOTE: Promulgated by the Department of Treasury, Board of Trustees of the State Employees' Retirement System, LR 22:373 (May 1996), amended LR 24:1959 (October 1998), LR 27:1582 (September 2001).

§2517. Appointment of Physicians to the State Medical Disability Board

- A. Physicians may be appointed to the State Medical Disability Board or as an alternate physician by the executive director. Such appointments shall be subject to ratification by the board of trustees.

AUTHORITY NOTE: Promulgated in accordance with R.S. 11:515.

HISTORICAL NOTE: Promulgated by the Department of Treasury, Board of Trustees of the State Employees' Retirement System, LR 22:373 (May 1996), amended LR 24:1959 (October 1998), LR 27:1582 (September 2001).

Chapter 25. Procedures for Processing Disability Applications

§2523. Conversion to Regular Retirement

§2519. Termination of Benefits

- A. Upon receipt of a final medical determination that a disability retiree is no longer disabled as a result of the failure to obtain a certification of continuing eligibility the retiree shall have the right to appeal the medical determination under §2507 herein. The benefit shall continue during the appeal period.

- B. The disability retiree has the right to appeal this decision to the Nineteenth Judicial District Court, Parish of East Baton Rouge. This appeal shall be filed within 30 days of the receipt of the board's decision.

AUTHORITY NOTE: Promulgated in accordance with R.S. 11:515.

HISTORICAL NOTE: Promulgated by the Department of Treasury, Board of Trustees of the State Employees' Retirement System, LR 22:373 (May 1996), amended LR 24:1960 (October 1998), LR 27:1582 (September 2001).

§2521. Notices

Repealed.

AUTHORITY NOTE: Promulgated in accordance with R.S. 11:515.

HISTORICAL NOTE: Promulgated by the Department of Treasury, Board of Trustees of the State Employees' Retirement System, LR 22:373 (May 1996), amended LR 24:1960 (October 1998), LR 27:1582 (September 2001), repealed LR 38:836 (March 2012).

§2523. Conversion to Regular Retirement

Repealed.

AUTHORITY NOTE: Promulgated in accordance with R.S. 11:515.

HISTORICAL NOTE: Promulgated by the Department of Treasury, Board of Trustees of the State Employees' Retirement System, LR 22:373 (May 1996), amended LR 24:1960 (October 1998), LR 27:1582 (September 2001), repealed LR 38:836 (March 2012).

Chapter 27. DROP Program

Subchapter A. Participation

§2701. Eligibility

- A. Eligibility for DROP shall be determined under the provisions of Part IV, Chapter One of Title 11 of the Louisiana Revised Statutes of 1950 (R.S. 11:441 et seq.).
- B. Act 1110 of 1995, effective January 1, 1996, implemented a “new” DROP program; however, a member who is eligible for retirement on or before December 31, 1995 will continue to be eligible to enter the “old” DROP at any time. The provisions of the “old” DROP remain unchanged except for the elimination of the one year waiting period. Members eligible for the “old” DROP may also choose to enter the “new” DROP, unless they have been eligible for ordinary retirement more than three years and 60 days. If they elect not to enter either DROP program, they may elect the initial benefit option.
1. The provisions of “use it or lose it” for annual leave, by action of the board of directors, will cease being applied to “old” DROP participants beginning January 1, 1996. Thereafter, all DROP participants will be able to convert accrued leave to retirement credits, or actuarially reduced lump sum payment for accumulated leave.

AUTHORITY NOTE: Promulgated in accordance with R.S. 11:515.

HISTORICAL NOTE: Promulgated by the Department of Treasury, Board of Trustees of the State Employees’ Retirement System, LR 22:373 (May 1996).

Chapter 27. DROP Program
§2705. Effects of Participation

Subchapter B. “Old” DROP

§2703. Participation in Three-Year Program

- A. Any eligible member entering DROP for the first time on or after July 1, 1993, may make a one time election to participate in DROP for a period not to exceed three years. Once specified, the period of participation may not be extended.
- B. Any member in their initial DROP participation period between July 1, 1993, and September 1, 1993, who entered DROP prior to July 1, 1993 may extend their originally selected participation period by up to one additional year upon giving written notice to the retirement system.
- C. Any member in their initial DROP participation period who entered DROP prior to July 1, 1993, and who elect after September 1, 1993, to extend their originally selected DROP participation period by up to one year may do so upon 30 days prior written notice to the retirement system.
- D. Any member who has completed DROP participation prior to July 1, 1993, and who has remained in state service without a break, may reenter the DROP program for up to one additional year upon written notice to the retirement system.

AUTHORITY NOTE: Promulgated in accordance with R.S. 11:515.

HISTORICAL NOTE: Promulgated by the Department of Treasury, Board of Trustees of the State Employees’ Retirement System, LR 22:373 (May 1996).

§2705. Effects of Participation

- A. When a person is in an extended DROP participation period, leave earned during that time can be converted to retirement credit if participation in DROP extends beyond January 1, 1996.
- B. When a person is in an extended DROP participation period, interest shall not be credited to the DROP account.
- C. When a member extends their DROP participation period, the monthly amount credited to the DROP account during the original participation period shall be the amount credited to the DROP account during the extended DROP participation period.

AUTHORITY NOTE: Promulgated in accordance with R.S. 11:515.

HISTORICAL NOTE: Promulgated by the Department of Treasury, Board of Trustees of the State Employees’ Retirement System, LR 22:373 (May 1996).

Chapter 27. DROP Program

§2711. Methods of Withdrawal

Subchapter C. Withdrawal

§2711. Methods of Withdrawal

A. When a participant in the Deferred Retirement Option Plan terminates state employment, the amount accumulated in the participant's DROP account may be withdrawn in any of the following methods.

1. Lump Sum Withdrawal
 - a. The participant may withdraw the entire balance in the DROP account; or
 - b. receive a one-time lump sum amount specified by participant;
 - c. if a participant dies and the designated beneficiary is not entitled to a monthly retirement benefit, the DROP account must be withdrawn within 90 days after notification of the death.
2. Monthly Withdrawal. The participant may receive a check each month until all the funds in the account are disbursed. The participant choosing monthly withdrawal shall select one of the following methods:
 - a. the participant may establish an amount to be withdrawn on a monthly basis; or
 - b. the retirement system can determine a level amount to be paid monthly over the expected lifetime of the individual. This method would be similar to an annuity payment; or
 - c. payments spread over a 10-year period.
3. Annual Withdrawal—Amount Established by Participant. The participant may establish an amount to be withdrawn once each year. The payments shall be made in December of each year. Changes in the amount shall be provided to LASERS, in writing, no later than November 15 of that year.
4. Delayed Withdrawal. The participant may choose not to withdraw the DROP account until some later date; however, the account must be disbursed within the time period shown in §2713.

AUTHORITY NOTE: Promulgated in accordance with R.S. 11:515.

HISTORICAL NOTE: Promulgated by the Department of Treasury, Board of Trustees of the State Employees' Retirement System, LR 22:373 (May 1996), amended LR 25:2465 (December 1999).

§2713. Time for Disbursement

- A. The DROP account must be totally disbursed within the expected lifetime of the participant in accordance with federal laws. The expected lifetime is determined based on the age of the participant on the date of termination. All funds from the DROP account must be withdrawn in accordance with the Internal Revenue Services Guidelines.
- B. Disbursements from the DROP accounts shall be made on the first day of each month; if the first is a weekend or holiday, the disbursement shall be made on the following workday.
- C. When a retiree reaches age 70 1/2, mandatory annual distributions shall begin in accordance with IRS regulations. The amount of the distributions will be recalculated annually. The mandatory distribution is based on the retiree's age and DROP account balance using the table above.
- D. Requested withdrawals from DROP accounts which would leave a balance in that account of \$500 or less shall be processed as a request for disbursement of the entire balance. All such withdrawal requests shall result in the closing of the account. LASERS may, at its option, conduct audits to identify DROP accounts with a balance of \$500 or less and may disburse the entire amount to the person in whose name the account exists or to their beneficiary after giving notice of at least 30 days prior to disbursement.

AUTHORITY NOTE: Promulgated in accordance with R.S. 11:515.

HISTORICAL NOTE: Promulgated by the Department of Treasury, Board of Trustees of the State Employees' Retirement System, LR 22:373 (May 1996), amended LR 25:2466 (December 1999), LR 29:1121 (July 2003), LR 30:2079 (September 2004), LR 32:1070 (June 2006).

§2715. Interest

- A. Interest shall not be credited to a participant's subaccount during the period of participation and shall be based on the balance of the account at the end of each month. All amounts which remain credited to the individual's subaccount after termination of participation in the plan, which is not transferred to a self-directed subaccount under R.S. 11:451.1, shall be credited with interest at the end of each plan year at a rate equal to the realized return on the system's portfolio for that plan year as certified by the system actuary in his actuarial report, less 1/2 of 1 percent.
- B. Plan year shall mean fiscal year. The actual posting of interest shall not be performed until the system actuary's report is approved by the Public Retirement Systems Actuarial Committee.

Chapter 27. DROP Program
§2717. Changes in Withdrawal

- C. Interest shall not be paid on funds transferring to the Self-Directed Plan. DROP participants who are vested under LAC 58:1.4103 who choose to transfer their funds to the SDP shall not be paid DROP interest under this Section beginning on the date LASERS receives the participant's request for transfer. DROP participants who were not vested under LAC 58:1.4103 shall not be paid DROP interest under this Section.

AUTHORITY NOTE: Promulgated in accordance with R.S. 11:515.

HISTORICAL NOTE: Promulgated by the Department of Treasury, Board of Trustees of the State Employees' Retirement System, LR 22:373 (May 1996), amended LR 31:946 (April 2005), LR 32:1070 (June 2006).

§2717. Changes in Withdrawal

- A. The type of withdrawal or the amount may be changed upon written notice. Requests for change received in the office of LASERS by the fifteenth of one month shall be effective the following month.
- B. The participant must indicate whether federal income taxes should be withheld from the amount disbursed. The tax instructions must be provided by the participant before a disbursement can be made.
- C. The forms for selecting the method of disbursement and the tax instructions shall be provided to the participant at the time of termination, or upon request.

AUTHORITY NOTE: Promulgated in accordance with R.S. 11:515.

HISTORICAL NOTE: Promulgated by the Department of Treasury, Board of Trustees of the State Employees' Retirement System, LR 22:373 (May 1996).

Chapter 27. DROP Program

§2721. Participation in New DROP

Subchapter D. “New” DROP

EDITOR’S NOTE: To the extent that the above provisions are not impacted by the following Sections, they shall apply to the new DROP. Any of the above provisions which conflict with the following provisions under the new DROP, the following provisions shall control.

§2719. Eligibility

- A. Members who become eligible for retirement on or after January 1, 1996 will only be eligible for the new DROP. Members who were eligible for retirement on or prior to December 31, 1995 will have the option of joining either DROP, unless they have been eligible for regular retirement in excess of three years and 60 days.

AUTHORITY NOTE: Promulgated in accordance with R.S. 11:515.

HISTORICAL NOTE: Promulgated by the Department of Treasury, Board of Trustees of the State Employees’ Retirement System, LR 22:373 (May 1996).

§2721. Participation in New DROP

- A. A member will be eligible for DROP as soon as he is eligible for retirement.
- B. DROP participation will be limited to three years.
- C. The member must enter DROP within a “window” of time. If he does not enter DROP within the window, he loses his right to enter DROP.
- D. The “window” begins 60 calendar days after his earliest date of eligibility for retirement and continues for three years and 60 days from the date of eligibility. In effect, the window sets an ending date for DROP participation. Eligibility to participate in DROP must end no later than three years and 60 days after the first retirement eligibility date. A member may enter DROP on the date he is eligible for regular retirement, without waiting 60 days to start DROP; however, he may only participate in DROP for three years.
- E. If a member waits to enter DROP at some point after eligibility, the length of time he may participate in DROP is reduced. For example, if he enters DROP one year after first becoming eligible, he can stay in DROP for two years and 60 days.
- F. The participant may not end DROP prior to the stated ending date unless he terminates employment. This is a change from the old DROP. Also, the stated participation period cannot be extended.
- G. The participant may elect to continue working after DROP participation. The calculation of the retirement benefit will be the same as in the old DROP program, except for the conversion of unused leave.

Chapter 27. DROP Program

§2723. Initial Benefit Option

- H. The amount of unused sick and annual leave at the date of termination can be converted to retirement credit, including the leave that was earned during the DROP participation period. If the participant terminates at the end of DROP or works less than three years after DROP, the benefit based on the leave conversion will be calculated using the final average compensation at the beginning of DROP participation. If the participant works more than three years after DROP participation, the benefit based on the leave conversion will be calculated using the final average compensation for the period of employment after DROP.
- I. The participant may choose to receive the actuarially reduced lump sum payment for unused leave in lieu of converting it to retirement credit.
- J. Anyone who elects to participate in DROP cannot elect the initial benefit option (lump sum provision).

AUTHORITY NOTE: Promulgated in accordance with R.S. 11:515.

HISTORICAL NOTE: Promulgated by the Department of Treasury, Board of Trustees of the State Employees' Retirement System, LR 22:373 (May 1996).

§2723. Initial Benefit Option

- A. This option will be available on January 1, 1996. Only members who have not participated in DROP can select this option. Disability retirees cannot select this option.
- B. This option may be selected at the time of retirement and will pay the retiree a lump sum amount at the time of retirement, and the future monthly retirement benefit will be reduced on an actuarial basis.
- C. The retiree must select the retirement option first. He cannot select Option 1. He can then elect to receive part of his future retirement benefits in an actuarially reduced lump sum payment. The value of the lump sum cannot exceed 36 months of the maximum monthly retirement benefit. The retiree may elect to receive the maximum lump sum amount or any smaller amount.
- D. The retiree may also elect to receive unused leave in a lump sum payment rather than converting it to retirement credit. This election must be made by the retiree before the initial benefit option can be calculated.
- E. The monthly retirement benefit of both the retiree and beneficiary will be actuarially reduced to offset the cost of the initial benefit. If the retiree retires under the special provisions for wildlife agents or judges and he selects the initial benefit option, his monthly benefit will also be actuarially reduced.

Chapter 27. DROP Program

§2723. Initial Benefit Option

- F. The retiree can receive the “initial benefit” in a lump sum payment, or it can be deposited in an account like the DROP accounts. The interest earnings and withdrawals will be the same as for DROP accounts. The main difference is that it will be created at the time of retirement with a lump sum instead of accumulated over a DROP participation period. The account will begin accumulating interest at the time it is set up.
- G. If a retiree selects the initial benefit and later changes, the retirement option to the maximum due to divorce or death of the beneficiary, the maximum benefit will be actuarially reduced at that time.
- H. A retiree who elects this option and later returns to work will be governed by the same rehired retiree provisions as other retirees.
- I. Future COLAs will be based on the amount of the monthly reduced benefit.

AUTHORITY NOTE: Promulgated in accordance with R.S. 11:515.

HISTORICAL NOTE: Promulgated by the Department of Treasury, Board of Trustees of the State Employees' Retirement System, LR 22:373 (May 1996).

Chapter 29. Spousal Consent

§2901. Spousal Consent to Retirement Option

Chapter 29. Spousal Consent

§2901. Spousal Consent to Retirement Option

- A. If a member is married and wishes to elect to retire under either the maximum plan, Option I, or else choose from Options II, III or IV(B) while naming someone other than his spouse as his beneficiary, he must obtain the consent of his spouse in writing on a form provided by LASERS executed before a notary public.

AUTHORITY NOTE: Promulgated in accordance with R.S. 11:446, R.S. 11:477 and R.S. 11:515.

HISTORICAL NOTE: Promulgated by the Department of Treasury, Board of Trustees of the State Employees' Retirement System, LR 22:373 (May 1996), amended LR 33:2469 (November 2007).

§2903. Instances Where Spousal Consent Is Not Required

- A. The following list sets out those instances where spousal consent is not necessary and will not be required:
1. the spouses are divorced, in which case LASERS needs a certified copy of a judgment of divorce;
 2. the spouse is legally incompetent to give consent, in which case the spouse's legal guardian may give consent, even if the guardian is the member, in which case LASERS needs a certified copy of the court order appointing the guardian;
 3. the spouse has abandoned the member, in which case the following shall be required:
 - a. a certificate by the local newspaper certifying that a legal notice has been run for at least three days requesting information from anyone knowing the whereabouts of the spouse; and
 - b. a notarized affidavit signed by the member stating that the spouse has abandoned him or her and outlining the steps that the member has taken to locate the spouse and obtain his or her signature; or
 - c. a certified copy of a court order indicating that the spouse is an absentee or has abandoned the member;
 4. the spouses have entered into a matrimonial agreement establishing a regime of separation of property pursuant to La. C.C. Art. 2328 between them which remains in effect at the time of retirement, in which case LASERS needs:
 - a. a certified copy of the agreement; and
 - b. a notarized affidavit signed by the spouses affirming the existence of a matrimonial agreement as required by this rule.

AUTHORITY NOTE: Promulgated in accordance with R.S. 11:515.

HISTORICAL NOTE: Promulgated by the Department of Treasury, Board of Trustees of the State Employees' Retirement System, LR 22:373 (May 1996), amended LR 26:1490 (July 2000), LR 34:1048 (June 2008).

Chapter 31. Excess Benefit Arrangement

§3105. Contributions

Chapter 31. Excess Benefit Arrangement

§3101. Participation

- A. All retired members and beneficiaries of the system whose retirement or survivor or beneficiary benefits from the system for a plan year have been limited by IRC §415 are participants in this plan. Participation in the plan is determined for each plan year. Participation in the plan will cease for any plan year in which the retirement benefit of a member of the system or a survivor or beneficiary is not limited by IRC §415.

AUTHORITY NOTE: Promulgated in accordance with R.S. 11:511 and R.S. 11:515.

HISTORICAL NOTE: Promulgated by the Department of Treasury, Board of Trustees of the State Employees' Retirement System, LR 26:1490 (July 2000).

§3103. Benefit

- A. A participant in the plan shall receive a monthly benefit equal to the difference between the participant's monthly retirement benefit otherwise payable from the system prior to any reduction or limitation of IRC §415 and the actual monthly retirement benefit payable from the system as limited by IRC §415. The monthly benefit shall be subject to withholding for any applicable income or employment taxes. The form of the benefit paid to a participant from the plan shall be the same as otherwise selected by the participant and payable by the system.

AUTHORITY NOTE: Promulgated in accordance with R.S. 11:511 and R.S. 11:515.

HISTORICAL NOTE: Promulgated by the Department of Treasury, Board of Trustees of the State Employees' Retirement System, LR 26:1490 (July 2000).

§3105. Contributions

- A. The system shall determine the required contribution to pay plan benefits for each plan year. The required contribution for each plan year shall be the total amount of benefits payable to all participants and their survivors or beneficiaries and such amount as determined by the system to pay the administrative expenses of the plan and the employer's share of any employment taxes on the benefits paid from the plan.
- B. The required contributions as determined in the preceding Subsection shall be paid into the plan fund from an allocation of the employer contributions paid to the system.

AUTHORITY NOTE: Promulgated in accordance with R.S. 11:511 and R.S. 11:515.

HISTORICAL NOTE: Promulgated by the Department of Treasury, Board of Trustees of the State Employees' Retirement System, LR 26:1491 (July 2000).

Chapter 31. Excess Benefit Arrangement

§3107. Excess Plan Fund

§3107. Excess Plan Fund

- A. Contributions to the plan shall be deposited on a monthly basis in a separate fund established and administered by the system. This fund is intended to be exempt from federal income tax under IRC §§115 and 415(m)(1).

AUTHORITY NOTE: Promulgated in accordance with R.S. 11:511 and R.S. 11:515.

HISTORICAL NOTE: Promulgated by the Department of Treasury, Board of Trustees of the State Employees' Retirement System, LR 26:1491 (July 2000).

§3109. Funding Assets

- A. The benefit liabilities of the plan shall be funded on a month to month basis. The fund established hereunder shall not be accumulated to pay benefits payable in future months. Any assets of the fund not used for paying benefits for a current month shall be used, as determined by the system, for the payment of administrative expenses of the plan for future months or paid to the system as an additional employer contribution.

AUTHORITY NOTE: Promulgated in accordance with R.S. 11:511 and R.S. 11:515.

HISTORICAL NOTE: Promulgated by the Department of Treasury, Board of Trustees of the State Employees' Retirement System, LR 26:1491 (July 2000).

§3111. Non-Assignability of Benefits

- A. The benefits payable under the plan may not be assigned or alienated by a participant, except as otherwise permitted for benefits payable by the system.

AUTHORITY NOTE: Promulgated in accordance with R.S. 11:511 and R.S. 11:515.

HISTORICAL NOTE: Promulgated by the Department of Treasury, Board of Trustees of the State Employees' Retirement System, LR 26:1491 (July 2000).

§3113. Plan Administration

- A. The system shall have the authority to administer the plan as provided at R.S. 11:454.

AUTHORITY NOTE: Promulgated in accordance with R.S. 11:511 and R.S. 11:515.

HISTORICAL NOTE: Promulgated by the Department of Treasury, Board of Trustees of the State Employees' Retirement System, LR 26:1491 (July 2000).

§3115. Retirement Benefit

- A. Any and all payments made pursuant to this plan shall be considered part of a retirement benefit as provided for any member, survivor or beneficiary of the system.

AUTHORITY NOTE: Promulgated in accordance with R.S. 11:511 and R.S. 11:515.

HISTORICAL NOTE: Promulgated by the Department of Treasury, Board of Trustees of the State Employees' Retirement System, LR 26:1491 (July 2000).

Chapter 31. Excess Benefit Arrangement

§3117. DROP Benefits

§3117. DROP Benefits

- A. The DROP benefit of any member may not exceed the annual benefit authorized by Section 415(b) of the Internal Revenue Code. For purposes of determining whether a member's benefit exceeds the limitations of this Subsection, the following shall apply:
1. Adjustment if benefit not a straight life annuity.
 - a. If the form of benefit is other than a straight life annuity, such benefit shall be adjusted actuarially to the equivalent of a straight life annuity to determine whether the limitations set forth in this Subsection are met.
 - b. For the purposes of this Subsection, no adjustment shall be taken into account for any ancillary benefit which is not directly related to retirement income benefits.
 2. Adjustment if benefit commences before age 62.
 - a. If the benefit distribution commences before age 62, the actual retirement benefit shall not exceed the adjusted dollar limitation. The adjusted dollar limitation shall be the equivalent, determined in a manner consistent with reduction of benefits for early retirement under Section 415(b)(2)(E) of the Internal Revenue Code, of \$160,000, as of January 1, 2002, adjusted annually pursuant to Section 415(d) of the Internal Revenue Code, commencing at age 62. For purposes of this adjustment, survivor benefits, that portion of a joint and survivor annuity which is the survivor benefit, and any other ancillary benefits shall not be taken into account.
 - b. No adjustment shall be required under this Subsection if the member is a "qualified participant" as that term is defined in Section 415(b)(2)(H) of the Internal Revenue Code.
 - c. No adjustment shall be required under this Subsection if the benefit is payable due to the member's disability or preretirement death.
 3. If the benefit distribution commences after age 65, the adjusted dollar limitation shall be the equivalent, determined in a manner consistent with the adjustments under Section 415(b)(2)(E) of the Internal Revenue Code, of \$160,000, as of January 1, 2002, adjusted annually pursuant to Section 415(d) of the Internal Revenue Code, commencing at age 65. For purposes of this adjustment, survivor benefits, that portion of a joint and survivor annuity which is the survivor benefit, and any other ancillary benefits shall not be taken into account.

Chapter 31. Excess Benefit Arrangement

§3117. DROP Benefits

- B. The maximum retirement benefit payable under this Section to any member who has completed less than 10 years of credited service shall be the number determined under Subsection A multiplied by a fraction, the numerator of which shall be the number of years of service, and the denominator of which shall be 10.
- C. Notwithstanding the foregoing, the benefit payable to a member shall not be deemed to exceed the limits of Subsection A if the total benefits payable to a member under all defined benefit plans maintained by the state, its agencies, or its political subdivisions do not exceed \$10,000 and the state, its agencies, or its political subdivisions have never maintained a defined contribution plan in which the member has participated.
- D. Any benefit that, as a result of an election made under R.S. 11:447(A), would exceed the limitations on benefits imposed by Section 415(b) of the Internal Revenue Code shall be paid into the excess benefit arrangement established under R.S. 11:454.

AUTHORITY NOTE: Promulgated in accordance with R.S. 11:515.

HISTORICAL NOTE: Promulgated by the Department of Treasury, Board of Trustees of the State Employees' Retirement System, LR 36:2050 (September 2010).

Chapter 35. Optional Retirement Plan

§3501. Plan Year

- A. The Plan Year for the Optional Retirement Plan (ORP) shall be July 1 through June 30.

AUTHORITY NOTE: Promulgated in accordance with R.S. 11:511 and R.S. 11:515.

HISTORICAL NOTE: Promulgated by the Department of Treasury, Board of Trustees of the State Employees' Retirement System, LR 26:1491 (July 2000).

§3503. Participation

- A. The following state employees shall be eligible to make an irrevocable election to participate in the optional retirement plan:

1. any unclassified state employee who is appointed by a statewide elected official and whose appointment is subject to confirmation by the Louisiana Senate;
2. any unclassified state employee who is a member of the immediate staff of any such employee described in Paragraph 1 of this Section;
3. the chief executive officer of the State Employee Group Benefits Program;
4. any member of the executive career service establishment by the State Civil Service Commission.

AUTHORITY NOTE: Promulgated in accordance with R.S. 11:511 and R.S. 11:515.

HISTORICAL NOTE: Promulgated by the Department of Treasury, Board of Trustees of the State Employees' Retirement System, LR 26:1491 (July 2000), amended LR 29:1121 (July 2003).

§3505. Repealed, LR 34:97 (January 2008).

§3507. Employee Contributions

- A. Each participant in the ORP shall contribute monthly the same amount that a regular member would have contributed under R.S. 11:62(5)(e). This amount shall be forwarded to the ORP provider, less an administrative cost that shall be established by LASERS. The initial administrative cost shall be set at 1 percent of employee earnings but may be adjusted annually in writing to reflect the actual cost incurred by LASERS to perform this function, but shall not exceed 1 percent without an amendment to this rule.

AUTHORITY NOTE: Promulgated in accordance with R.S. 11:511 and R.S. 11:515.

HISTORICAL NOTE: Promulgated by the Department of Treasury, Board of Trustees of the State Employees' Retirement System, LR 26:1491 (July 2000).

Chapter 35. Optional Retirement Plan

§3509. Employer Contributions

§3509. Employer Contributions

- A. Each employer agency shall contribute to LASERS on behalf of each participant in the ORP the same amount that would have been contributed to the defined benefit plan. LASERS shall pay over to the ORP provider an amount equal to the employer's portion of the normal cost contributions as set forth in the actuarial valuation of the retirement system. LASERS shall maintain that portion of the employer's contribution, which applies to the unfunded accrued liability, which exceeds the employer's portion of the normal cost contribution. LASERS may also retain an additional portion of the employer contributions for any adverse actuarial impact as a result of employees participating in the ORP in accordance with R.S. 11:502.3.B.(3).

AUTHORITY NOTE: Promulgated in accordance with R.S. 11:511 and R.S. 11:515.

HISTORICAL NOTE: Promulgated by the Department of Treasury, Board of Trustees of the State Employees' Retirement System, LR 26:1491 (July 2000).

§3511. ORP Provider

- A. The system shall provide no more than three providers, selected by a competitive process, for participants to utilize in selecting investment options for the employee and employer contributions that are provided for by the preceding Sections.

AUTHORITY NOTE: Promulgated in accordance with R.S. 11:511 and R.S. 11:515.

HISTORICAL NOTE: Promulgated by the Department of Treasury, Board of Trustees of the State Employees' Retirement System, LR 26:1492 (July 2000).

§3513. Investment Options

- A. The investment options available to participants shall be those as established by the ORP provider and selected by the ORP participant.

AUTHORITY NOTE: Promulgated in accordance with R.S. 11:511 and R.S. 11:515.

HISTORICAL NOTE: Promulgated by the Department of Treasury, Board of Trustees of the State Employees' Retirement System, LR 26:1492 (July 2000).

Chapter 35. Optional Retirement Plan

§3517. Distribution

§3515. Benefit Obligations

- A. All benefits payable to participants under the ORP shall be the sole obligation of the ORP provider to which contributions are made, and shall not be the obligation of LASERS. Payments to participants or their beneficiaries shall be made by the ORP provider and not LASERS in accordance with the contracts approved for use in the ORP. Participants in the ORP shall not be entitled to any benefits under the defined benefit plan, and once a choice is made by a participant to participate in the ORP, that individual will be ineligible to participate in the defined benefit plan.

AUTHORITY NOTE: Promulgated in accordance with R.S. 11:511 and R.S. 11:515.

HISTORICAL NOTE: Promulgated by the Department of Treasury, Board of Trustees of the State Employees' Retirement System, LR 26:1492 (July 2000).

§3517. Distribution

- A. Distribution from the ORP to participants shall only be made after termination of employment with the state of Louisiana in accordance with applicable Internal Revenue Code provisions.

AUTHORITY NOTE: Promulgated in accordance with R.S. 11:511 and R.S. 11:515.

HISTORICAL NOTE: Promulgated by the Department of Treasury, Board of Trustees of the State Employees' Retirement System, LR 26:1492 (July 2000).

Chapter 37. Leave Conversion to Retirement Credit or Cash Payment

§3701. Conversion of Leave to Retirement Credit

Chapter 37. Leave Conversion to Retirement Credit or Cash Payment

§3701. Conversion of Leave to Retirement Credit

- A. All annual and sick leave certified by the employee's employing agency to be accrued in accordance with the leave accrual rates established by the Department of State Civil Service and for which payment cannot be made in accordance with law at the time of retirement shall be credited to the employee and may be converted to retirement credit in accordance with R.S. 11:424.

AUTHORITY NOTE: Promulgated in accordance with R.S. 11:511 and R.S. 11:515.

HISTORICAL NOTE: Promulgated by the Department of Treasury, Board of Trustees of the State Employees' Retirement System, LR 29:1122 (July 2003).

§3703. Lump Sum Payment of Leave

- A. An employee, in lieu of conversion of leave to retirement credit, may request in writing that he be paid the actuarial value of such leave, as determined by the retirement system's actuary, in a lump sum cash payment. The employee shall be paid the actuarial value of the conversion of leave to cash. This lump sum cash payment shall be paid to the employee on the first of the month after all pertinent documentation is received from the employee's employing agency needed to finalize the employee's retirement benefit.

AUTHORITY NOTE: Promulgated in accordance with R.S. 11:511 and R.S. 11:515.

HISTORICAL NOTE: Promulgated by the Department of Treasury, Board of Trustees of the State Employees' Retirement System, LR 29:1122 (July 2003).

§3705. Tax Liability

- A. The employee requesting the lump sum cash conversion of leave shall be solely responsible for any tax consequences of this decision, and the employee must acquire any tax advice from a private source (CPA or tax attorney) as LASERS shall not be responsible for any tax liability that may impact the employee as a result of the decision to take a lump sum cash distribution of leave in lieu of converting leave to retirement credit.

AUTHORITY NOTE: Promulgated in accordance with R.S. 11:511 and R.S. 11:515.

HISTORICAL NOTE: Promulgated by the Department of Treasury, Board of Trustees of the State Employees' Retirement System, LR 29:1122 (July 2003).

Chapter 39. Public Safety Services Secondary Component

§3901. Additional Retirement Eligibility

Chapter 39. Public Safety Services Secondary Component

§3901. Additional Retirement Eligibility

Repealed.

AUTHORITY NOTE: Promulgated in accordance with R.S. 11:511 and R.S. 11:515.

HISTORICAL NOTE: Promulgated by the Department of Treasury, Board of Trustees of the State Employees' Retirement System, LR 29:2859 (December 2003), repealed LR 35:2477 (November 2009).

Chapter 41. Self-Directed Plan

§4101. SDP Provider

- A. System shall procure a single provider, selected by a competitive process, for participants in the Self-Directed Plan (“SDP”) to utilize in providing investment options for the deposits made during the accumulation period in the Deferred Retirement Option Plan (“DROP”) or funds acquired through the Initial Benefit Option (“IBO”). The investment options shall not be available to the participants until the DROP funds are transferred to the SDP provider at the end of the accumulation period, or until after the IBO funds are so transferred.

AUTHORITY NOTE: Promulgated in accordance with R.S. 11:511 and R.S. 11:515.

HISTORICAL NOTE: Promulgated by the Department of Treasury, Board of Trustees of the State Employees’ Retirement System, LR 30:1306 (June 2004).

§4103. Persons Vesting for DROP Prior to January 1, 2004

- A. Persons who became eligible for regular retirement prior to January 1, 2004 are eligible for participation in the SDP. Those persons may make an irrevocable election to transfer their DROP funds into the SDP. The DROP or IBO participants electing to transfer their funds into the SDP must transfer their entire DROP or IBO balance.

AUTHORITY NOTE: Promulgated in accordance with R.S. 11:511 and R.S. 11:515.

HISTORICAL NOTE: Promulgated by the Department of Treasury, Board of Trustees of the State Employees’ Retirement System, LR 30:1306 (June 2004).

§4105. Eligibility for Transfer of Funds into SDP

- A. The only funds which may be transferred into the SDP are LASERS DROP or IBO funds. Transfers or rollovers from other sources shall not be allowed.

AUTHORITY NOTE: Promulgated in accordance with R.S. 11:511 and R.S. 11:515.

HISTORICAL NOTE: Promulgated by the Department of Treasury, Board of Trustees of the State Employees’ Retirement System, LR 30:1307 (June 2004).

§4107. Rollovers Out of SDP to Other Providers

- A. At all times after becoming eligible to withdraw funds from the SDP, DROP participants may elect to rollover funds to eligible providers. Such rollovers shall be subject to applicable federal laws and the terms of the SDP.

AUTHORITY NOTE: Promulgated in accordance with R.S. 11:511 and R.S. 11:515.

HISTORICAL NOTE: Promulgated by the Department of Treasury, Board of Trustees of the State Employees’ Retirement System, LR 30:1307 (June 2004).

Chapter 41. Self-Directed Plan

§4115. Completion of Notification Form

§4109. Right to Recover Overpayments

A. In the event of overpayment of funds are made by LASERS, then LASERS retains the ability at all times to recall funds from member at provider or to reduce future benefits pursuant to R.S. 11:192 to recover any such overpayment.

AUTHORITY NOTE: Promulgated in accordance with R.S. 11:511 and R.S. 11:515.

HISTORICAL NOTE: Promulgated by the Department of Treasury, Board of Trustees of the State Employees' Retirement System, LR 30:1307 (June 2004).

§4111. Time to Transfer Funds

A. Except in emergency circumstances as determined by the executive director:

1. LASERS shall forward the entire deposit balance of a participant to the third party administrator within 10 working days from the end of the DROP accumulation period. LASERS may supplement or otherwise correct balances forwarded in those instances where there are errors, missing documents or incomplete reports submitted by agencies reporting earnings for the participant;
2. for participants in the Initial Benefit Option ("IBO") or for those DROP participants whose accumulation period is less than six months, LASERS shall transfer 80 percent of the DROP/IBO balance within 45 days from the date of initial transfer into the SDP.

AUTHORITY NOTE: Promulgated in accordance with R.S. 11:511 and R.S. 11:515.

HISTORICAL NOTE: Promulgated by the Department of Treasury, Board of Trustees of the State Employees' Retirement System, LR 30:1307 (June 2004), amended LR 32:1070 (June 2006).

§4113. Spousal Consent

A. LASERS may halt the processing of a participant's request to enter the SDP until any spousal consent form required by law or proof of divorce has been presented to the system.

AUTHORITY NOTE: Promulgated in accordance with R.S. 11:511 and R.S. 11:515.

HISTORICAL NOTE: Promulgated by the Department of Treasury, Board of Trustees of the State Employees' Retirement System, LR 30:1307 (June 2004).

§4115. Completion of Notification Form

A. All DROP participants shall complete and submit a form (#9-2 or #9-2a) to inform LASERS that they are ending the accumulation period. This form shall be submitted at least 30 days prior to that date. Failure to submit this form could result in delaying access to DROP funds.

AUTHORITY NOTE: Promulgated in accordance with R.S. 11:511 and R.S. 11:515.

HISTORICAL NOTE: Promulgated by the Department of Treasury, Board of Trustees of the State Employees' Retirement System, LR 30:1307 (June 2004).

§4117. Distributions

- A. Distributions shall be in accordance with the provisions of Title 58, Part I, Chapter 27 of the Louisiana Administrative Code.

AUTHORITY NOTE: Promulgated in accordance with R.S. 11:511 and R.S. 11:515.

HISTORICAL NOTE: Promulgated by the Department of Treasury, Board of Trustees of the State Employees' Retirement System, LR 30:1307 (June 2004).

§4119. No In-Service Distribution

- A. Distributions prior to the date of termination from employment with the state of Louisiana are strictly prohibited in accordance with applicable Internal Revenue Code Provisions. The selected provider shall not make a distribution without a verification of termination from LASERS.

AUTHORITY NOTE: Promulgated in accordance with R.S. 11:511 and R.S. 11:515.

HISTORICAL NOTE: Promulgated by the Department of Treasury, Board of Trustees of the State Employees' Retirement System, LR 30:1307 (June 2004).

§4121. Civil Service Reinstatement

- A. DROP participants who have been removed from state employment, then reinstated pursuant to a ruling by the Civil Service board, shall immediately notify LASERS in writing of their reinstatement, along with a projected date of retirement.

AUTHORITY NOTE: Promulgated in accordance with R.S. 11:511 and R.S. 11:515.

HISTORICAL NOTE: Promulgated by the Department of Treasury, Board of Trustees of the State Employees' Retirement System, LR 30:1307 (June 2004).

§4123. Beneficiary

- A. Each participant shall initially designate a beneficiary or beneficiaries to receive any amounts which may be distributed in the event of the death of the participant prior to the complete distribution of benefits. A participant may change the designation of beneficiaries at any time by filing a written notice on a form approved by LASERS. If no such designation is in effect at the time of participant's death, or if the designated beneficiary does not survive the participant by 30 days, his beneficiary shall be his surviving spouse, if any, and then his estate.

AUTHORITY NOTE: Promulgated in accordance with R.S. 11:511 and R.S. 11:515.

HISTORICAL NOTE: Promulgated by the Department of Treasury, Board of Trustees of the State Employees' Retirement System, LR 30:1307 (June 2004).

§4125. Investment Options

- A. LASERS shall in its sole discretion select certain investment options to be used to determine income to be accrued on deferrals. These investment options may include

Chapter 41. Self-Directed Plan

§4127. Participant Investment Direction

specified life insurance policies, annuity contracts, or investment media issued by an insurance company. In any event, it shall be the sole responsibility of LASERS to ensure that all investment options offered under the plan are appropriate and in compliance with any and all state laws pertaining to such investments.

- B. In the absence of a written directive from the participant, the provider shall automatically invest the participant's DROP funds in its discretion in an appropriate interim investment until specific investment directions are received. Such instructions regarding the delegation of investment responsibility shall remain in force until revoked or amended in writing by the participant. LASERS shall not be responsible for the propriety of any directed investment.

- C. LASERS may, from time to time, change the investment options under the plan. If LASERS eliminates a certain investment option, all participants who had chosen that investment shall select another option. If no new option is selected by the participant, money remaining in the eliminated investment option shall be moved at the direction of LASERS. The participants shall have no right to require LASERS to select or retain any investment option. To the extent permitted by and subject to any rules or procedures adopted by the administrator, a participant may, from time to time, change his choice of investment option. Any change with respect to investment options made by LASERS or a participant, however, shall be subject to the terms and conditions (including any rules or procedural requirements) of the affected investment options and may affect only income to be accrued after that change.

AUTHORITY NOTE: Promulgated in accordance with R.S. 11:511 and R.S. 11:515.

HISTORICAL NOTE: Promulgated by the Department of Treasury, Board of Trustees of the State Employees' Retirement System, LR 30:1307 (June 2004).

§4127. Participant Investment Direction

- A. Participants shall have the option to direct the investment of their personal contributions and their share of any employer contributions among alternative investment options established as part of the overall SDP, unless otherwise specified by LASERS. A participant's right to direct the investment of any contribution shall apply only to making selections among the options made available under the SDP.

- B. Each participant shall designate on the proper form or via website or telephone direction the investment that shall be used to determine the income to be accrued on amounts deposited. If the investment chosen by the participant experiences a gain, the participant's benefits under the SDP likewise shall reflect income for that period. If the investment chosen by a participant experiences a loss, or if charges are made under such investment, the participant's benefits under the SDP likewise shall reflect such loss or charge for that period.

Chapter 41. Self-Directed Plan
§4129. Distributions from the Plan

- C. Neither the state of Louisiana, LASERS, the administrator, nor any other person shall be liable for any losses incurred by virtue of following the participant's directions or with any reasonable administrative delay in implementing such directions.

AUTHORITY NOTE: Promulgated in accordance with R.S. 11:511 and R.S. 11:515.

HISTORICAL NOTE: Promulgated by the Department of Treasury, Board of Trustees of the State Employees' Retirement System, LR 30:1308 (June 2004).

§4129. Distributions from the Plan

- A. The payment of benefits in accordance with the terms of the plan may be made by the trustee, or by any custodian or other person so authorized by LASERS to make such distribution. Neither LASERS, the trustee nor any other person shall be liable with respect to any distribution from the plan made at the direction of the employer or a person authorized by the employer to give disbursement direction.

AUTHORITY NOTE: Promulgated in accordance with R.S. 11:511 and R.S. 11:515.

HISTORICAL NOTE: Promulgated by the Department of Treasury, Board of Trustees of the State Employees' Retirement System, LR 30:1308 (June 2004).

§4131. Domestic Relations Orders

- A. In all instances wherein a person participating in the SDP is a party to a Domestic Relations Order ("DRO"), properly worded and approved by LASERS, and such DRO is to divide DROP funds with the participant's former spouse, LASERS shall establish a means whereby the former spouse may choose the investment options for his or her portion of the SDP. Until such time as the portion belonging to the former spouse is placed in a separate SDP account in that person's name, those funds shall remain in a conservative fixed income investment vehicle within the SDP such as a stable value fund.
- B. The selection of investment options shall be in accordance with §4125 of this Chapter.
- C. Withdrawals from the SDP by either the member spouse (under whom all service credit accumulated) or the former spouse are prohibited until such time as the member spouse terminates state employment.

AUTHORITY NOTE: Promulgated in accordance with R.S. 11:451.4 and 11:515.

HISTORICAL NOTE: Promulgated by the Department of Treasury, Board of Trustees of the State Employees' Retirement System, LR 30:1308 (June 2004), amended LR 33:1150 (June 2007).

§4133. Disclaimer

- A. LASERS makes no endorsement, guarantee or any other representation and shall not be liable to the plan or to any participant, beneficiary, or any other person with respect to:

Chapter 41. Self-Directed Plan

§4135. No DROP Interest

1. the financial soundness, investment performance, fitness, or suitability (for meeting a participant's objectives, future obligations under the plan, or any other purpose) of any investment option in which amounts deferred under the plan are actually invested; or
2. the tax consequences of the plan to any participant, beneficiary or any other person.

AUTHORITY NOTE: Promulgated in accordance with R.S. 11:511 and R.S. 11:515.

HISTORICAL NOTE: Promulgated by the Department of Treasury, Board of Trustees of the State Employees' Retirement System, LR 30:1308 (June 2004).

§4135. No DROP Interest

- A. Participants in the SDP shall not receive interest paid by LASERS on traditional DROP/IBO accounts under the provisions of LAC 58:I.2715.

AUTHORITY NOTE: Promulgated in accordance with R.S. 11:511 and R.S. 11:515.

HISTORICAL NOTE: Promulgated by the Department of Treasury, Board of Trustees of the State Employees' Retirement System, LR 32:1070 (June 2006).

Chapter 43. Actuarial Calculations
§4301. Charges for Actuarial Calculations

Chapter 43. Actuarial Calculations

§4301. Charges for Actuarial Calculations

- A. The system shall collect a fee of \$150 from those persons requesting certain actuarial calculations which must be obtained from the actuarial firm with whom LASERS contracts actuarial services. Except as otherwise provided in R.S. 11:446.E, the fee must be payable to LASERS and will be forwarded to the actuarial firm.

AUTHORITY NOTE: Promulgated in accordance with R.S. 11:515.

HISTORICAL NOTE: Promulgated by the Department of Treasury, Board of Trustees of the State Employees' Retirement System, LR 32:265 (February 2006).

Chapter 45. Effects of Act 75 of the 2005 Regular Session

§4503. Vesting Because of Prior State Employment

Chapter 45. Effects of Act 75 of the 2005 Regular Session

§4501. Members Affected

- A. This Chapter concerns those members of LASERS affected by Act 75 of the 2005 Regular Session of the Louisiana Legislature.

AUTHORITY NOTE: Promulgated in accordance with R.S. 11:515 and R.S. 11:537.

HISTORICAL NOTE: Promulgated by the Board of Trustees of the State Employees' Retirement System, LR 33:113 (January 2007).

§4503. Vesting Because of Prior State Employment

- A. Members whose first employment making them eligible for membership in the system began on or before June 30, 2006 and who subsequent to that date cease such employment shall remain vested under the retirement eligibility provisions existing on that date, but only so long as they do not receive a refund of their accumulated employee contributions on or after July 1, 2006.
- B. Upon application for and acceptance of a refund of accumulated contributions, all rights in the system are cancelled. For the purposes of this Section, a refund shall be considered accepted by the member upon the cashing or negotiating of a check or deposit by electronic funds transfer of an amount representing the bulk of the employee contributions deposited in his or her LASERS account based upon the period of their employment.

AUTHORITY NOTE: Promulgated in accordance with R.S. 11:515 and R.S. 11:537.

HISTORICAL NOTE: Promulgated by the Board of Trustees of the State Employees' Retirement System, LR 33:113 (January 2007).

INDEX

STATE EMPLOYEES RETIREMENT SYSTEM

- Generally, LA CONST Art. 10 §29; R.S. 11:401 et seq.
- Abandoned property, LA R.S. 11:540
- Absence without compensation, credit, LA R.S. 11:421
- Accountants, certified public accountants, LA R.S. 11:251
- Accounts and accounting, LA R.S. 11:531 et seq.
 - Auditing, LA R.S. 11:513
 - Bank or trust company accounts, LA R.S. 11:536
 - Employee experience account, LA R.S. 11:542
 - Employees savings account, LA R.S. 11:532
 - Employer's accumulation account, LA R.S. 11:533
 - Expense account, LA R.S. 11:535
 - Subaccounts, deferred retirement option plan, LA R.S. 11:449
 - Self directed plans, LA R.S. 11:451.1
- Accrued leave, LA R.S. 42:421
- Accumulated annual leave
 - Credit, LA R.S. 11:424
 - Unused, adding to membership service, LA R.S. 42:421
- Accumulated contributions
 - Definitions, LA R.S. 11:403
 - Guaranteed refund or return, LA R.S. 11:445
 - Lump sum refund, survivor benefits, LA R.S. 11:479
 - Refund on withdrawal, LA R.S. 11:537
 - Withdrawal, termination of membership, LA R.S. 11:415
- Accumulation account, LA R.S. 11:533
- Actions, venue, LA C.C.P. Art. 84
- Active service, return to, disability retirees, LA R.S. 11:225
- Active Member
 - Definition LAC 58:I.101
- Actuarial data, LA R.S. 11:271
- Actuarial equivalent, definitions, LA R.S. 11:403
- Actuarial notes, new legislation, LA R.S. 24:521
- Actuarial report, legislature, LA R.S. 11:171
- Actuarial soundness, LA CONST Art. 10 s 29
- Actuarial tables, definitions, LA R.S. 11:403
- Actuarial valuations, LA R.S. 11:22, 24:514
 - Option, LA R.S. 11:446
- Actuarially funded system, LA R.S. 24:36

Actuaries, appointment, LA R.S. 11:515
 Change in option, LA R.S. 11:446
Additional benefits to members of legislature, LA R.S. 24:36
Adjustments, annuities, computing retirement allowance, LA R.S. 11:444
Administrative error
 Change in option, LA R.S. 11:446
 Correction, LA R.S. 11:407
 Creditable service, LA R.S. 11:423
Advisors, investments, fees, LA R.S. 11:265
Age
 Compulsory retirement, LA R.S. 11:133
 Early retirement, LA R.S. 11:272
 Eligibility, LA R.S. 11:441
 Limitations, membership, LA R.S. 11:148
 Regular retirement, LA R.S. 11:441
Agency, definitions, LA R.S. 11:403
Air time, LA R.S. 11:429
Alcohol & Tobacco Control, Office of
 Average compensation, definition, LA R.S. 11:403
 Benefit accrual rate, LA R.S. 11:444
 Disability, LA R.S. 11:461
 Employee contribution rates, LA R.S. 11:62
 Fund, LA R.S. 11:544
 Eligibility for retirement, LA R.S. 11:441
Amendment, LA R.S. 11:406
Amite River basin commission, service credits, purchase, LA R.S. 11:411
Annual leave
 Credit, LA R.S. 11:424
 Termination, LA R.S. 11:450
 Cumulation, LA R.S. 42:421
 Severance pay, unclassified postsecondary education employees, LA R.S.
 17:425.2
Annuities
 Computing retirement allowance, LA R.S. 11:444
 Exemption from tax or process, LA R.S. 11:405
 Monthly payment, LA R.S. 11:445
 Reserve, LA R.S. 11:534
Appeals, LA R.S. 11:515
 Procedure, LAC 58:I.107
 See also Petition

Application

- Disability retirement, LA R.S. 11:461
- Retirement, LA R.S. 11:442
 - Options, LA R.S. 11:446
- Transfers between retirement systems, LA R.S. 11:143

Application of law

- Deferred retirement option plan, LA R.S. 11:448
- Operating budgets, LA R.S. 39:81

Appointed officials, option, LA R.S. 11:411

- Armed forces, service credit, LA R.S. 11:152, 11:153
 - Forfeiture, refund, LA R.S. 11:537

Assignment

- Benefits, contribution, LA R.S. 11:405
- Securities, LA R.S. 11:517

Assistant director, appointment, LA R.S. 11:515

Attachment, exemption, LA R.S. 11:405

Attorneys, LA R.S. 11:251, 11:515

Audits and auditors, LA R.S. 11:173

- Account, LA R.S. 11:513
- Legislative auditor, LA R.S. 24:513

Automatic membership, LA R.S. 11:411

Average compensation

- Computation, LA R.S. 11:142, 11:231
- Definitions, LA R.S. 11:403
- Unused sick and annual leave, LA R.S. 11:424

Bank accounts, LA R.S. 11:536

Base pay

- Certified retirement report, LA R.S. 11:531
- Definitions, LA R.S. 11:403

Beneficiary

- Change, LA R.S. 11:446
- Death, notice, LA R.S. 11:446
- Definitions, LA R.S. 11:403
- Optional payment, LA R.S. 11:446

Benefits, LA R.S. 11:538

- Decrease, retirement after 20 years, LA R.S. 11:441
- Excess benefit arrangement, LA R.S. 11:454
- Initial benefit option, LA R.S. 11:446
- Lump sum payments, options, LA R.S. 11:155
- Minimum, cost of living adjustments, LA R.S. 11:542

Modification, LA R.S. 11:221
Reciprocal recognition among systems, LA R.S. 11:142
Renunciation, LA R.S. 11:452
Retirees, reemployment, LA R.S. 11:416, 11:416.1
Retirement benefits, generally, post
Senate or house members, LA R.S. 24:36.2
Sick leave, use of, LA R.S. 11:424
Supplemental benefits, LA R.S. 11:501
Survivor benefits, generally, post
Birth certificates, certified copies, state registrar, LA R.S. 40:41
Board of trustees, LA R.S. 11:181 et seq., 11:511 et seq.
 Acting chairman, LA R.S. 11:513
 Appointment to fill vacancy, LA R.S. 11:512
 Baton Rouge, domicile, LA R.S. 11:514
 Chairman, LA R.S. 11:513
 Compensation, LA R.S. 11:513
 Continuing education, LA R.S. 11:185
 Definitions
 Board of trustees LAC 58:I.101
 Wildlife agents, LA R.S. 11:581
 Domicile, LA R.S. 11:514
 Election
 Chairman, LA R.S. 11:513
 Rules and regulations, LA R.S. 11:515;
 Active member trustees, LAC 58:I.303
 Retired member trustees, LAC 58:I.503
 Optional Retirement Plan Participants, LAC 58:I.307
 Schedule of elections
 Active member trustees, LAC 58:I.103
 Retired member trustees, LAC 58:I.501
 Vacancy, LA R.S. 11:512;
 Active member trustees, LAC 58:I.305
 Retired member trustees, LAC 58:I.507
 Expenses, LA R.S. 11:182, 11:513
 Investments, LA R.S. 11:517
 Meetings, LA R.S. 11:513
 Minutes of meetings, LA R.S. 11:513
 Modification of benefits, disability, LA R.S. 11:221
 Number of members, LA R.S. 11:511

Per diem, LA R.S. 11:182, 11:513
Powers and duties, LA R.S. 11:515
Public meetings and hearings, LA R.S. 11:513
Quorum, LA R.S. 11:513
Records, LA R.S. 11:513
Retired member of system, LA R.S. 11:511
Roberts rules of order, LA R.S. 11:513
Secretary, LA R.S. 11:513
Special meetings, LA R.S. 11:513
Traveling expenses, LA R.S. 11:513
Vacancy in office, LA R.S. 11:512
 Chairman, LA R.S. 11:513
Boards and commissions
 Medical disability board, LA R.S. 11:219, 11:515
 Trustees. Board of trustees, generally, ante
Bonds, custodian, LA R.S. 11:515
Budgets, LA R.S. 11:515, 11:1303
 Operating budgets, LA R.S. 11:176, 39:81
 Application of law, LA R.S. 39:81
Cancellation
 Application for retirement, LA R.S. 11:442
 Retirement eligibility, LA R.S. 11:441
 Rights, refunds, LA R.S. 11:537
Capitol police, LA R.S. 49:149.4
Cash management review board, exemption, LA R.S. 39:374
Certified monthly retirement report, LA R.S. 11:531
Certified public accountants, LA R.S. 11:251
Change of beneficiary, LA R.S. 11:446
Charitable institution employees, LA R.S. 11:413
 Credit for service, LA R.S. 11:422
Charity hospitals, nurses, pools, exemption from membership, LA R.S. 11:413
Checks, abandoned or unclaimed checks, LA R.S. 11:540
Children and minors, survivor benefits
 Deferred retirement option plan, LA R.S. 11:562.1
 Trusts and trustees, LA R.S. 11:235
City courts, judges, LA R.S. 11:551 et seq.
Civil district court, Orleans Parish, judges, LA R.S. 11:551 et seq.
Collection of benefits not due, LA R.S. 11:543
Commissioners
 Civil and criminal district courts, Orleans Parish, LA R.S. 11:551 et seq.

District courts, nineteenth judicial district, membership, LA R.S. 13:712

Commissions. Boards and commissions, generally, ante

Community property settlement orders, divorce, LA R.S. 11:291

Compensation and salaries

- Average compensation, computation, LA R.S. 11:142, 11:231
- Director and assistant director, LA R.S. 11:515
- Reports, employee earnings and deductions, LA R.S. 11:172

Compulsory retirement, age, LA R.S. 11:133

- Average compensation, LA R.S. 11:142, 11:231

Computation of service, annual leave, cumulation, LA R.S. 42:421

Conflict of laws, wildlife agents, LA R.S. 11:581

Consent, survivor benefits, LA R.S. 11:446

Consultants, disclosure, LA R.S. 11:269

Continuing education, board of trustees, LA R.S. 11:185

Contractual employment, credit for service, LA R.S. 11:422

Contributions, LA R.S. 11:102, 11:406, 11:531, 24:36

- Abandoned or unclaimed contributions, LA R.S. 11:540
- Accumulated contributions, generally, ante
- Amendments to system provisions, board action considered as, LA R.S. 11:406
- Certified retirement report, LA R.S. 11:531
- Delinquent contributions, LA R.S. 11:281
 - Political subdivisions or agency, deduction from funds due them, LA R.S. 11:541

Employees, LA R.S. 11:62

Exemption from execution of right to return of contributions, LA R.S. 11:405

Intergovernmental interchange of employees, LA R.S. 42:730

Judges, LA R.S. 11:551 et seq.

Judges supplemental compensation fund, LA R.S. 13:10.3

Leaves of absence

- Accepting another state position, LA R.S. 11:161
- Group insurance programs, LA R.S. 42:851

Legislators, LA R.S. 24:36

Lump sum refund, LA R.S. 11:445

Maximum employee contributions, LA R.S. 11:538

Military service credit, LA R.S. 11:152, 11:153

Mistake, employer contributions, return, LA R.S. 11:539

Officers of the court, LA R.S. 11:551 et seq.

Purchase of creditable service, LA R.S. 11:422

- Administrative error, LA R.S. 11:423

Reciprocal recognition among systems, LA R.S. 11:142

Refunds, LA R.S. 11:537
 Exempt from tax or process, LA R.S. 11:405
 Guaranteed, LA R.S. 11:445
 Repayment, LA R.S. 11:144.1
Report
 Monthly retirement report by agencies, LA R.S. 11:531
 Unreported contributions, LA R.S. 11:424
Return guaranteed, LA R.S. 11:445
Tax shelters, LA R.S. 11:154
Terminal leave payment, LA R.S. 11:531
Termination of employee contributions, LA R.S. 11:538
Unclaimed contributions, LA R.S. 11:540
Withdrawal, termination of membership, LA R.S. 11:415
Workers compensation, LA R.S. 11:151
Conversion of annual and sick leave to retirement credit, LA R.S. 11:424, LAC 58:I.3701
 Lump sum payment, LAC 58:I.3703
 Tax liability, LAC 58:I.3705
 Termination, LA R.S. 11:450
Correction
 Administrative error, LA R.S. 11:407
 Overpayments, LA R.S. 11:192
Correctional Institutions, this index
Cost of living, LA R.S. 11:246, 11:406
 Amendments to system, action of board considered as, LA R.S. 11:406
 Benefits, minimum, LA R.S. 11:542
 Disability allowance, LA R.S. 11:221
 Initial benefit option, LA R.S. 11:446
Court officers, LA R.S. 11:552 et seq.
 Additional benefits, LA R.S. 11:557
 Application of law, LA R.S. 11:571
 Contributions, LA R.S. 11:560
 Creditable service, LA R.S. 11:563
 Indigent defender program service, LA R.S. 11:564
 Transfers, LA R.S. 11:559
 Additional time, LA R.S. 11:556
 Disability retirement, LA R.S. 11:561
 Eligibility, LA R.S. 11:413, 11:558
 Exemptions, taxes and execution, LA R.S. 11:570
 Exercise of option, LA R.S. 11:555
 Additional time, LA R.S. 11:556

Existing members, LA R.S. 11:567
Indigent defender program, credit for service, LA R.S. 11:564
Payment, LA R.S. 11:569
Rights, LA R.S. 11:568
Structured court as a result of federal court order, retirement plans, LA R.S. 11:558
 Survivor benefits, LA R.S. 11:562
Courts of appeal, judges, LA R.S. 11:551 et seq.
Creditable service, LA R.S. 11:421 et seq.
 Administrative error, LA R.S. 11:423
 Application for disability retirement, LA R.S. 11:461
 Definitions, LA R.S. 11:403
 Early retirement eligibility, LA R.S. 11:272
 Elected officials, LA R.S. 11:145
Judges
 Delays in assumption of duties, federal court orders involving Voting Rights Act,
 LA R.S. 11:558.1
 Transfer, LA R.S. 11:551 et seq.
Law clerks, LA R.S. 11:565.1
Legislative member, LA R.S. 24:36
Parish assessor, LA R.S. 11:143
Purchase, LA R.S. 11:422
 Administrative error, LA R.S. 11:423
 Price, LA R.S. 11:158
 Special investigators or prosecutors, LA R.S. 11:559
Reciprocal recognition, other retirement systems, LA R.S. 11:142, 11:150
Restored on repayment on refund, LA R.S. 11:537
Workers compensation, time receiving, LA R.S. 11:151
Credits
 Absence without compensation, LA R.S. 11:421
 Accrued leave, LA R.S. 42:421
 Accumulated annual leave, LA R.S. 11:424
 Annual leave, conversion, LA R.S. 42:421
 Elected officials, LA R.S. 11:145
 Foreign states, purchases, LA R.S. 11:429
 Forfeiture, LA R.S. 11:537
 Involuntary furloughs, LA R.S. 11:163, 11.163.1
 Judges, LA R.S. 11:551 et seq.
 Delays in assumption of duties, federal court orders involving Voting Rights Act,
 LA R.S. 11:558.1

Indigent defender program service, LA R.S. 11:564
Military service, LA R.S. 11:152, 11:153
Part time employees, eligibility, LA R.S. 11:441
Public safety and corrections department, transfers, LA R.S. 11:605
Purchases, leaves of absence, LA R.S. 11:163
Reciprocity, LA R.S. 11:142
Retirement credits, purchases, emoluments of office, LA R.S. 11:453
Unused sick leave, LA R.S. 11:424
Crimes and offenses, falsification of records, LA R.S. 11:404
Criminal district court, Orleans Parish, judges, officers, LA R.S. 11:551 et seq.
Custodian, bonds and securities, LA R.S. 11:515
Death
 Accrued annual leave, effect on benefits, LA R.S. 42:421
 Beneficiary, notice, LA R.S. 11:446
 Certificates, certified copies, state registrar, LA R.S. 40:41
 Deferred retirement option plan, LA R.S. 11:450
 Pending transfer between systems, LA R.S. 11:143
 Reports, LA R.S. 11:174
 Termination of membership, LA R.S. 11:415
Decrease, allowance, annuity or benefit, LA R.S. 11:445
Deductions
 Funds due agencies or political subdivisions, use for payment of delinquent contributions, LA R.S. 11:541
 Reports, employee earnings and deductions, LA R.S. 11:172
Voluntary payroll deduction
 Applicant and vendor requirements, LAC 58:I.1103
 Application process, LAC 58:I.1101
 Authorization, LAC 58:I.1107
 Fees, LAC 58:I.1117
 General provisions, LAC 58:I.1121
 Implementation, LAC 58:I.1105
 LASERS' responsibilities, LAC 58:I.1113
 Notification, LAC 58:I.1105
 Reporting, LAC 58:I.1115
 Solicitation of state retirees, LAC 58:I.1109
 Termination, LAC 58:I.1119
 Vendor responsibilities, LAC 58:I.1111
Deferred retirement option plan, LA R.S. 11:447 et seq.
 Eligibility, LAC 58:I.2701
 Initial Benefit Option, LAC 58:I.2723

Interest, LAC 58:I.2715
Old DROP, LAC 58:I.2705
Participation in three-year program, LAC 58:I.2703, 2721
Public safety and corrections department, LA R.S. 11:606
Survivor benefits, children and minors, LA R.S. 11:562.1
Termination, LA R.S. 11:450 et seq.
Time for disbursement, LAC 58:I.2713
Withdrawal, LAC 58:I.2711, LAC 58:I.2717
Deficit and contributions, transfers, payment by employee, LA R.S. 11:143
Definitions, LA R.S. 11:403
 Spouse, survivor benefits, LA R.S. 11:446
Delinquent contributions, LA R.S. 11:281
 Political subdivisions or agencies, deduction from funds due them, LA R.S.
 11:541
Department
 Definition LAC 58:I.101
Depositories, LA R.S. 11:515, 11:536
Deputies, supreme court, LA R.S. 11:551 et seq.
Director,
 Appointment, LA R.S. 11:515
 Definition LAC 58:I.101
Disability retirement, LA R.S. 11:212 et seq., 11:461
 Age, LA R.S. 11:461
 Application, LA R.S. 11:461, LAC 58:I.2501
 Appointment of physician to State Medical Disability Board, LAC 58:I.2517
 Certificate of disability, LA R.S. 11:212, 11:461
 Contesting board physician's determination, LAC 58:I.2507
 Conversion to regular retirement, LAC 58:I.2523
 Corrections Primary, LA R.S. 11:461
 Corrections Secondary, LA R.S. 11:603
 Cost of living adjustments, LA R.S. 11:221
 Court officers, LA R.S. 11:561
 Credits, LA R.S. 11:461
 Effective date, LA R.S. 11:461
 Examinations, LA R.S. 11:212, 11:461
 Final determination, LAC 58:I.2505
 Initial benefit option, LA R.S. 11:446
 Judges, LA R.S. 11:561
 Judicial appeal, LAC 58:I.2509
 Limitation on earnings, LAC 58:I.2513

Medical examinations, LA R.S. 11:219
Continued eligibility, LA R.S. 11:463, LAC 58:I.2511
Disability Board physician's recommendation, LAC 58:I.2503
Medical test, LA R.S. 11:461
Military service credit, LA R.S. 11:152, 11:153
Modification of benefits, LA R.S. 11:221
Notices, LAC 58:I.2521
Officers of the court, LA R.S. 11:561
Options, LA R.S. 11:461
Part time employees, LA R.S. 11:441
Presumptions, time of injury, LA R.S. 11:212
Peace officers, Dept. of Public Safety, LA R.S. 11:461
Public safety and corrections department, LA R.S. 11:603
Report to Board of Trustees, LAC 58:I.2515
Return to active service, LA R.S. 11:225
Revenue, Alcohol & Tobacco Control LA R.S. 11:461
Termination of Benefits, LAC 58:I.2519
Vesting, LA R.S. 11:217
Wildlife agents, LA R.S. 11:214 et seq., 11:583
Wildlife and fisheries department, officers and employees, LA R.S. 11:583.1

Disclosure
Consultants, money managers, LA R.S. 11:269
Personal records, LA R.S. 44:16

Dissolution of marriage, options, payment, LA R.S. 11:446
District court commissioners, 15th judicial district, LA R.S. 13:715
District courts
Commissioners, nineteenth judicial district, membership, LA R.S. 13:712
Judges, LA R.S. 11:551 et seq.

Divorce
Orders of court, property settlement, LA R.S. 11:291
Revocation of options, LA R.S. 11:446

DROP – See Deferred Retirement Option Plan
Dual employment, dual retirement system membership, LA R.S. 11:191
Dual membership, credit for service, LA R.S. 11:422
Early retirement
Decrease in benefits, LA R.S. 11:441
Eligibility, LA R.S. 11:272
Reemployment of retiree, LA R.S. 11:149
Earned compensation
Certified retirement report, LA R.S. 11:531

Definitions, LA R.S. 11:403
Educational leave, membership, LA R.S. 11:411
Effective date
 Disability retirement benefits, LA R.S. 11:461
 Retirement benefits, LA R.S. 11:442
Elected officials
 Option, LA R.S. 11:411
 Service credits, LA R.S. 11:145
Elections
 Deferred retirement option plan, participation, LA R.S. 11:447 et seq.
 Termination, LA R.S. 11:450 et seq.
 Membership, irrevocable election, notice, LA R.S. 11:417
 Political subdivisions, former state employees, LA R.S. 11:160
 Public safety and corrections department, LA R.S. 11:605
Electronic funds transfers, LA R.S. 11:503
Electronic transactions, LA R.S. 11:408.1 et seq.
Eligibility, LA R.S. 11:411 et seq.
 Accrued annual leave, use in determining eligibility, LA R.S. 42:421
 Deferred retirement option plan, LA R.S. 11:447
 Judges, LA R.S. 11:413, 11:551 et seq.
 Previously transferred exmember, bar to membership, LA R.S. 11:143
Retirees
 Reemployment, LA R.S. 11:416, 11:416.1
 Returning to state service, LA R.S. 11:413
 Retirement, regular retirement, LA R.S. 11:441
 Twenty years of service, LA R.S. 11:441
Emergencies, refunds on contributions, LA R.S. 11:537
 Conditions giving rise to, LAC 58:I.1301
 Procedures for, LAC 58:I.1303
 Overpayment of refund, responsibility, LAC 58:I.1305
Emergency employees, credit for service, LA R.S. 11:422
Emoluments of office, LAC 58:I.101
Employer Contribution Rates, LA R.S. 11:60
Employee experience account, LA R.S. 11:542
Employees savings account, LA R.S. 11:532
Employer, definitions, LA R.S. 11:403
Employer's accumulation account, LA R.S. 11:533
Evidence, electronic transactions, LA R.S. 11:408.3
Examinations
 Audits and auditors, generally, ante

Disability retirement, LA R.S. 11:461
Medical examinations, disability benefits, LA R.S. 11:219
Excess benefit arrangement, LA R.S. 11:454
Benefit, LAC 58:I.3103
Contributions, LAC 58:I.3105
Excess plan fund, LAC 58:I.3107
Funding assets, LAC 58:I.3109
Non-assignability of benefits, LAC 58:I.3111
Participation, LAC 58:I.3101
Plan administration, LAC 58:I.3113
Retirement benefit, LAC 58:I.3115
Execution, exemption, LA R.S. 11:405
Exemptions, execution, LA R.S. 11:405
Expense account, LA R.S. 11:535
Experience Account, LA R.S. 11:542
False statements or falsification of records, LA R.S. 11:404
Family court, East Baton Rouge Parish, judges, LA R.S. 11:551 et seq.
Federal employees, agency absorbed by state, exemption from membership, LA R.S. 11:413
Fiduciaries
Investments, LA R.S. 11:264.1 et seq.
Relationship, LA R.S. 11:264
Filing, application for retirement, LA R.S. 11:442
Financial condition
Audits, LA R.S. 11:173
Publication, LA R.S. 11:513
Financial statements and reports, LA R.S. 24:514
Legislature, report, LA R.S. 11:171
Financing, LA R.S. 11:531 et seq.
Fines and penalties
Delinquent contributions, interest, LA R.S. 11:281
Falsification of records, LA R.S. 11:404
First mortgage loans, investments, LA R.S. 11:517
Fiscal transactions, publication, LA R.S. 11:513
Fiscal year, definitions, LA R.S. 11:403
Foreign states, service credits, purchases, LA R.S. 11:429
Former state employees, political subdivisions, election of membership, LA R.S. 11:160
Fractional days, unused leave, LA R.S. 11:424
Fractional period of service, LA R.S. 11:421
Computing retirement allowance, LA R.S. 11:444

Fraud

Employees group benefit insurance, removal from, LA R.S. 42:807

Falsifying records, LA R.S. 11:404

Funds, abandoned or unclaimed funds, LA R.S. 11:540

Garnishment, LA R.S. 11:292

Garnishment, exemption, LA R.S. 11:405

Governing boards. Board of trustees, generally, ante

Group benefits program, 20 year retirement, actuarial reduction to cover costs, LA R.S. 11:441

Group insurance, leaves of absence, contributions, LA R.S. 42:851

Guarantee, return of accumulated contributions, LA R.S. 11:445

Handicapped children, survivor benefits, LA R.S. 11:471

Deferred retirement option plan, LA R.S. 11:562.1

Hazardous Duty Services Plan, LA R.S. 11:611, et seq.

Increase, allowance, annuity or benefit, LA R.S. 11:445

Independent contractors, LA R.S. 11:413

Indigent defender program, credit for service, judges and court officers, LA R.S. 11:564

Initial benefit option, LA R.S. 11:446, LAC 58:I.2723

Injunctions, divorce, orders of court, community property settlement, LA R.S. 11:291

Interest

Delinquent contributions, LA R.S. 11:281

Initial benefit option, LA R.S. 11:446

Purchase of creditable service, LA R.S. 11:422

Refunds, LA R.S. 11:537

Transfers between retirement systems, LA R.S. 11:143

Intergovernmental interchange of employees, contributions, LA R.S. 42:730

Intermittent employees

Credit for service, LA R.S. 11:422

Definitions, LA R.S. 11:403

Eligibility, LA R.S. 11:413

Interns, credit for service, LA R.S. 11:422

Investigations and investigators, creditable service, purchase, LA R.S. 11:559

Investments, LA R.S. 11:261 et seq., 11:517

Advisors, fees, LA R.S. 11:265

Personnel, LA R.S. 11:251

Prohibited nations, LA R.S. 11:311-316

Involuntary furloughs, credits, LA R.S. 11:163 and 11:163.1

Irrevocable election, membership, notice, LA R.S. 11:417

Irrevocable renunciation, retirement benefit or allowance, LA R.S. 11:452

Job appointment

Credit for service, LA R.S. 11:422

Definitions, LA R.S. 11:403

Joint administration, state police pension and retirement system, LA R.S. 11:516,
11:1303

Judges, LA R.S. 11:551 et seq.

Additional benefits, LA R.S. 11:557

Application of law, LA R.S. 11:571

Assigned judges, LA R.S. 11:566

Contributions, LA R.S. 11:560

Credit

Delays in assumption of duties, federal court orders involving Voting Rights Act,
LA R.S. 11:558.1

Indigent defender program, LA R.S. 11:564

Transfer of creditable service, additional time, LA R.S. 11:556

Creditable service, LA R.S. 11:563

Transfers, LA R.S. 11:559

Deferred retirement option plan, survivor benefits, children and minors, LA R.S.
11:562.1

Disability retirement, LA R.S. 11:561

Eligibility, LA R.S. 11:413, 11:558

Exemptions, taxes and execution, LA R.S. 11:570

Exercise of option, LA R.S. 11:555

Additional time, LA R.S. 11:556

Existing members, LA R.S. 11:567

Indigent defender program, credit for service, LA R.S. 11:564

Law clerks, creditable service, LA R.S. 11:565.1

Parish judges, member of other funded retirement plan, LA R.S. 11:554

Payment, LA R.S. 11:569

Pension, LA R.S. 11:1381

Restructuring courts as a result of federal court order, retirement plans, LA R.S.
11:558

Rights, LA R.S. 11:568

Survivor benefits, LA R.S. 11:562

Law clerks, creditable service, LA R.S. 11:565.1

Leaves of absence

Accepting another state position, LA R.S. 11:161

Annual leave, generally, ante

Conversion to retirement credit, LA R.S. 11:424

Group insurance programs, contributions, LA R.S. 42:851

- Service credits, purchases, LA R.S. 11:163 and 11:163.1
- Legal aid bureau, prior service credit, LA R.S. 11:565
- Legal counsel, LA R.S. 11:251, 11:515
- Legislative amendments, actuarial review, LA R.S. 24:521
- Legislative assistants, LA R.S. 24:31.5
 - Service credits, LA R.S. 24:31.5
- Legislative service
 - Credit for service, LA R.S. 24:36
 - Per diem allowance, credit for service, LA R.S. 11:422
- Legislature
 - Members, LA R.S. 24:36, 24:37
 - Regaining membership in actuarially funded retirement system, LA R.S. 24:37
- Life insurance, state employees, LA R.S. 11:515
- Limitations
 - Benefits, payment, LA R.S. 11:480
 - Survivors benefits, maximum amount, LA R.S. 11:482
- Louisiana State University retirement system, exclusion from membership, LA R.S. 17:1618
- Lump sum
 - Deferred retirement option plan, termination, LA R.S. 11:450
 - Law clerks, LA R.S. 11:565.1
- Lump sum payments
 - Options, LA R.S. 11:155
 - Initial benefit option, LA R.S. 11:446
 - Unused annual and sick leave, LA R.S. 11:424
- Lump sum refund, LA R.S. 11:445
 - Repayment, LA R.S. 11:537
- Magistrates, criminal district court, Orleans Parish, LA R.S. 11:551 et seq.
- Maximum retirement allowance, LA R.S. 11:444, 11:538
- Maximum survivor benefits, LA R.S. 11:482
- Medical disability board, LA R.S. 11:219, 11:515
- Medical examinations, disability benefits, LA R.S. 11:219
 - Continued eligibility, LA R.S. 11:463
- Medical interns, credit for service, LA R.S. 11:422
- Membership, LA R.S. 11:411 et seq.
 - Age limitations, LA R.S. 11:148
 - Election, former state employees, political subdivisions, LA R.S. 11:160
 - Inactive Member, definition LAC 58:I.101
 - Irrevocable election, notice, LA R.S. 11:417
 - Part time, seasonal, temporary employees, LA R.S. 11:162

Public safety and corrections department, LA R.S. 11:602
Transfers from other retirement systems, LA R.S. 11:411
Membership service, definitions, LA R.S. 11:403
Mentally retarded children, survivor benefits, LA R.S. 11:471
Deferred retirement option plan, LA R.S. 11:562.1
Military forces
Retirement Credits,
Certification of service, LAC 58:I.909
Death and survivor benefits, LAC 58:I.915
Differential payments by agencies, LAC 58:I.911
Exclusions, LAC 58:I.903
Limitations, LAC 58:I.905
Payment of contributions after service, LAC 58:I.913
Purposes, LAC 58:I.907
Requirements, LAC 58:I.901
Service credit, LA R.S. 11:152, 11:153
Application requirements, LAC 58:I.703
Forfeiture, refund, LA R.S. 11:537
Purchase, LAC 58:I.701
Minor child, definitions, LA R.S. 11:403
Mistake, employer contributions, return, LA R.S. 11:539
Modification of benefits, disability retirement, LA R.S. 11:221
Money managers, disclosure, LA R.S. 11:269
Mortality tables, LA R.S. 11:515
Municipal employees retirement systems
Participation, retirees, LA R.S. 11:1751
Reciprocal recognition, LA R.S. 11:142
Municipal police employees retirement system, membership, irrevocable election, LA R.S. 11:417
Municipal tax, exemption, LA R.S. 11:405
Name, LA R.S. 11:402
New agencies, eligibility of officials, LA R.S. 11:412
New Orleans city park improvement association, LA R.S. 11:413
Notice
Former state employees, political subdivisions, election of membership, LA R.S. 11:160
Handicapped or mentally ill child, survivor benefits, LA R.S. 11:471
Membership, irrevocable election, LA R.S. 11:417
Overpayments, LA R.S. 11:192
Operating budgets, LA R.S. 11:176, 39:81

- Application of law, LA R.S. 39:81
- Optional membership, elected or appointed officials, LA R.S. 11:411
- Optional retirement plan, LA R.S. 11:502 et seq.
 - Benefit obligations, LAC 58:I.3515
 - Distribution, LAC 58:I.3517
 - Election to Participate, LAC 58:I.3505
 - Employee Contributions, LAC 58:I.3507
 - Employer Contributions, LAC 58:I.3509
 - Investment options, LAC 58:I.3513
 - Participation, LAC 58:I.3503
 - Plan year, LAC 58:I.3501
 - Provider, LAC 58:I.3511
 - Sunset, LAC 58:I.3519
- Options, LA R.S. 11:461
 - Divorce judgment, revocation of option, LA R.S. 11:446
 - Lump sum payments, LA R.S. 11:155
 - Payments, LA R.S. 11:446
 - Purchase of creditable service, LA R.S. 11:422
 - Retirees, reemployment, LA R.S. 11:416, 11:416.1
 - Transfers of service credits and funds out of system, LA R.S. 11:143
- Orders of court, divorce, community property settlement orders, LA R.S. 11:291
- Other retirement system
 - Credit for service, LA R.S. 11:421
 - Membership, LA R.S. 11:413
- Other state or public employment, LA R.S. 11:417
- Overpayments, correction, LA R.S. 11:192
- Paper checks, LA R.S. 11:503
- Parish courts, judges, LA R.S. 11:551 et seq.
- Parochial employees retirement system, reciprocal recognition, LA R.S. 11:142
- Parole and Probation, this index
- Part time employees
 - Computation of service, LA R.S. 11:421
 - Credit for service, LA R.S. 11:422, LAC 58:I.2101
 - Definitions, LA R.S. 11:403
 - Disability retirement, LA R.S. 11:441
 - Eligibility, LA R.S. 11:413
 - Membership, LA R.S. 11:162
 - Regular retirement, LA R.S. 11:441
 - Retirement credit, LA R.S. 11:441
 - Survivor benefit, LA R.S. 11:441

Participants, deferred retirement option plan, LA R.S. 11:448
Partition orders, property settlement, LA R.S. 11:291
Payments, electronic funds transfers, LA R.S. 11:503
Peace Officers, Dept. of Public Safety & Corrections
 Average compensation, definition, LA R.S. 11:403
 Benefit accrual rate, LA R.S. 11:444
 Fund, LA R.S. 11:545
 Eligibility for retirement, LA R.S. 11:441
 Employee contribution rates, LA R.S. 11:62
 Disability, LA R.S. 11:461
 DROP, LA R.S. 11:444, LA R.S. 11:450
Per diem
 Credit for service, LA R.S. 11:422
 Eligibility, LA R.S. 11:413
 Governing board, LA R.S. 11:181
Personal records, disclosure, LA R.S. 44:16
Petitions
 For adoption, amendment, or repeal of rules, LAC 58:I.103
 For declaratory rulings on the applicability of rules, LAC 58:I.104
Physicians, credit for service, LA R.S. 11:422
Political subdivisions
 Delinquent contributions, deduction from funds due them, LA R.S. 11:541
 Former state employees, membership, election, LA R.S. 11:160
Position, definitions, LA R.S. 11:403
Prescription, LA R.S. 11:543
Primary health center employees, membership, LA R.S. 11:411
Prior service
 Credit, forfeiture, refund, LA R.S. 11:537
 Legal aid bureau, LA R.S. 11:565
 Legislative members, LA R.S. 24:37
Process, exemption, LA R.S. 11:405
Prohibited Nations, LA R.S. 11:311-316
Proportionate allowance, fractional period of service, LA R.S. 11:444
Prosecutors, creditable service, purchase, LA R.S. 11:559
Providers, selection, deferred retirement option plan, LA R.S. 11:451.2
Public records, LA R.S. 11:175
Public safety and corrections department
 Application of law, LA R.S. 11:441
 Contributions, LA R.S. 11:531
 Delinquent contributions, LA R.S. 11:281

- Deferred retirement option plan, LA R.S. 11:606
- Disability retirement, LA R.S. 11:603
- Elections, LA R.S. 11:605
- Members, LA R.S. 11:602
- Secondary component additional retirement eligibility, LAC 58:I.3901
- Service credits, transfers, LA R.S. 11:605
- Survivor benefits, LA R.S. 11:604
- Publication, fiscal transactions, LA R.S. 11:513
- Purchase. Creditable service, ante
- Purchase of creditable service, LA R.S. 11:422
 - Calculations and costs, LAC 58:I.1501
 - Military service, LA R.S. 11:152, 11:153
- Purchases and purchasing
 - Retirement credits, emoluments of office, LA R.S. 11:453
 - Securities, LA R.S. 11:517
 - Service credits, LA R.S. 24:36
- Qualified participant, computing retirement allowance, LA R.S. 11:444
- Reciprocity, LA R.S. 11:142, 11:150
 - Credits, state teachers retirement system, LA R.S. 11:727
 - Retirement credit, LA R.S. 11:150
- Records and recordation
 - Contributions of employer, LA R.S. 11:402
 - Electronic transactions, LA R.S. 11:408.1 et seq.
 - Falsification, LA R.S. 11:404
 - Personal records, disclosure, LA R.S. 44:16
- Reductions, overpayments, LA R.S. 11:192
- Reemployment of retirees, LA R.S. 11:149, 11:416, 11:416.1
 - Initial benefit option, LA R.S. 11:446
- Reestablishment of credit cancelled by refund, LA R.S. 11:144
- Refunds
 - Accumulated contributions, LA R.S. 11:537
 - Cancellation of retirement eligibility, LA R.S. 11:441
 - Contributions, ante
 - Definitions, LA R.S. 11:403
 - Employer contributions, mistake or termination of system, LA R.S. 11:539
- Interest, LA R.S. 11:537
 - Repayment, LA R.S. 11:144, LAC 58:I.1707
 - See also Reinstated employees, this index
 - Survivor benefits, LA R.S. 11:478
- Regular retirement, LA R.S. 11:441 et seq.

Age, LA R.S. 11:441
Application for retirement, LA R.S. 11:442
 Options, LA R.S. 11:446
Definition LAC 58:I.101
Eligibility, LA R.S. 11:441
Guaranteed return of contributions, LA R.S. 11:445
Option, payments, LA R.S. 11:446
Part time employees, LA R.S. 11:441
Payment of benefits, LA R.S. 11:445
Years of service, LA R.S. 11:441
Reinstated employees,
 Effect of reinstatement, LAC 58:I.1703
 Partial repayment, LAC 58:I.1709
 Purchase of Service, LAC 59:I.1701
 Repayment of refund, LAC 58:I.1707
 Service credit for dual employment, LAC 58:I.1705
Remarriage, survivor benefits, LA R.S. 11:234
Renunciation, retirement benefit or allowance, LA R.S. 11:452, LAC 58:I.2301
Repayments
 Overpayments, LA R.S. 11:192
 Refund, LA R.S. 11:537
 Refund to transfer/reciprocate. LA R.S. 11:144
Repeal, allowance, annuity or benefit, LA R.S. 11:445
Reports
 Actuarial report, legislature, LA R.S. 11:171
 Death reports, LA R.S. 11:174
 Employee earnings and deductions, LA R.S. 11:172
 Employer reports, LA R.S. 11:531
 Reemployment, LA R.S. 11:416
 Unreported earnings and contributions, LA R.S. 11:424
Resident physician, credit for service, LA R.S. 11:422
Retirees
 Annuity reserve, LA R.S. 11:534
 Reemployment, LA R.S. 11:149
 Options, LA R.S. 11:416, 11:416.1
 Returning to work, eligibility, LA R.S. 11:413
Retirement, definitions, LA R.S. 11:403
Retirement allowance
 Definitions, LA R.S. 11:403
 Renunciation, LA R.S. 11:452

Retirement benefits, LA R.S. 11:441 et seq.
 Computation, LA R.S. 11:444
 Definitions, LA R.S. 11:403
 Effective date, LA R.S. 11:442
 Exemption from tax or process, LA R.S. 11:405
 Limitation on payment, LA R.S. 11:480
 Payment, LA R.S. 11:445
 Renunciation, LA R.S. 11:452
Retirement credits, purchases, emoluments of office, LA R.S. 11:453
Revenue and taxation department
 Office of Alcohol & Tobacco Control
 Benefit accrual rate, LA R.S. 11:444
 Disability, LA R.S. 11:461
 DROP, LA R.S. 11:450
 Eligibility for retirement, LA R.S. 11:441
 Employee contribution rates, LA R.S. 11:62
 Fund, LA R.S. 11:544
 Unclassified temporary seasonal income tax rush employees
 Eligibility for membership, LA R.S. 11:413
Revocation, allowance, annuity or benefit, LA R.S. 11:445
Rules and regulations, LA R.S. 11:515
 Community property settlement orders, LA R.S. 11:291
 Deferred retirement option plan, LA R.S. 11:451.4
 Reciprocal recognition among systems, LA R.S. 11:142
 Renunciation of retirement benefit or allowance, LA R.S. 11:452
Sale of securities, LA R.S. 11:517
Savings account, LA R.S. 11:532
School employees retirement system, membership, irrevocable election, LA R.S. 11:417
Schoolteachers retirement system, membership, irrevocable election, LA R.S. 11:417
Seasonal employees, membership, LA R.S. 11:162
Securities
 Custodian, LA R.S. 11:515
 Investment, LA R.S. 11:517
Security personnel, correctional institutions
 Contributions, LA R.S. 11:531
 Delinquent contributions, LA R.S. 11:281
 Eligibility, LA R.S. 11:441
Selection, providers, deferred retirement option plan, LA R.S. 11:451.2
Self directed plans, deferred retirement option plan
 Beneficiary, LAC 58:I.4123

Civil service reinstatement, LAC 58:I.4121
Completion of notification form, LAC 58:I.4115
Disclaimer, LAC 58:I.4133
Distributions, LAC 58:I.4117, LAC 58:I.4129
Domestic relations order, LAC 58:I.4131
Eligibility for transfer, LAC 58:I.4105
In-service distribution, LAC 58:I.4119
Investment options, LAC 58:I.4125
Participant investment direction, LAC 58:I.4127
Participation, time, LA R.S. 11:451.3
Provider, LAC 58:I.4101
Right to recover overpayments, LAC 58:I.4109
Rollovers out of self directed plan to other providers, LAC 58:I.4107
Spousal consent, LAC 58:I.4113
Subaccounts, LA R.S. 11:451.1
Time to transfer funds, LAC 58:I.4111
Vesting prior to Jan. 1, 2004, LAC 58:I.4103
Service. Creditable service, generally, ante
Service credits. Credits, generally, ante
Service tables, LA R.S. 11:515
Severance pay, unclassified postsecondary education employees, LA R.S. 17:425.2
Sick leave
 Credits, LA R.S. 11:424
 Termination, LA R.S. 11:450
 Severance pay, unclassified postsecondary education employees, LA R.S. 17:425.2
Signatures, electronic transactions, LA R.S. 11:408.1 et seq.
Social security
 Credit for service, LA R.S. 11:422
 Retirement age, computation of retirement allowance, LA R.S. 11:444
Spouse
 Consent, LAC 58:I.2901
 Instances where not required, LAC 58:I.2903
 Self directed plan, LAC 58:I.4113
 Definitions, LA R.S. 11:403
 Survivor benefits, LA R.S. 11:446
State agencies, employees not contributing members, LA R.S. 11:422
State central cash management system, joint administration, LA R.S. 11:516, 11:1303
State service, definitions, LA R.S. 11:403
State tax, exemption, LA R.S. 11:405

Statutes, new legislation, actuarial notes, LA R.S. 24:521
Stock of corporations, investment, LA R.S. 11:517
Students, LA R.S. 11:413
 Credit for service, LA R.S. 11:422
 Definitions, LA R.S. 11:403
Subaccounts, deferred retirement option plan, LA R.S. 11:449
 Self directed plans, LA R.S. 11:451.1
Supplemental benefits, LA R.S. 11:501
 Annual and sick leave, LA R.S. 11:450
 Retirees, reemployment, LA R.S. 11:416, 11:416.1
Support, seizure of benefits for, LA R.S. 11:292
Supreme court, judges, LA R.S. 11:551 et seq.
Survivor benefits, LA R.S. 11:471 et seq.
 Accrued annual leave, effect on benefits, LA R.S. 42:421
 Accumulated contributions, lump sum refund, LA R.S. 11:476, 11:479
 Adult children, current and prior marriage, LA R.S. 11:473
 Amount, LA R.S. 11:471
 Application requirement, LAC 58:I.1909
 Beneficiary, payment to in lieu of survivors benefits, LA R.S. 11:476
 Burden of proof, LA R.S. 11:474
 Children and minors, LA R.S. 11:235, 11:471
 Creditable service, reciprocal recognition, LA R.S. 11:142
 Effective date of benefits, LA R.S. 11:477
 Entitlement, proof, LA R.S. 11:474
 Evidence of eligibility, LA R.S. 11:471
 Handicapped children, LA R.S. 11:471, 11:472, 11:473
 Qualification, LAC 58:I.1907
 Judges, LA R.S. 11:562
 Limitations, payment, LA R.S. 11:477, 11:480
 Maximum amount, LA R.S. 11:482
 Lump sum refund, LA R.S. 11:475, 11:478
 Accumulated contributions, LA R.S. 11:476, 11:479
 Mentally retarded children, LA R.S. 11:471, 11:472, 11:473
 Part time employees, LA R.S. 11:441
 Payment, LA R.S. 11:472
 Named beneficiary in lieu of survivors benefits, LA R.S. 11:476
 Prior marriage, surviving spouse and adult children, LA R.S. 11:473, LAC
 58:I.1909
 Proof of entitlement, LAC 58:I.1905
 Qualifications, LAC 58:I.1903

- Refund, LA R.S. 11:478
 - Accumulated contributions, LA R.S. 11:479
- Remarriage, LA R.S. 11:234
- Surviving spouse, LA R.S. 11:471, 11:472
 - Adult children, LA R.S. 11:473
- Survivor refund, LA R.S. 11:475
- Testamentary trust, payment, LA R.S. 11:474
- Suspension of benefits, LA R.S. 11:442
- Suspension of benefits - reemployment of disability retiree, LA R.S. 11:225
- Suspension of benefits - rehired retiree, LA R.S. 11:416, 11:416.1
- Tax shelters, employee contributions, LA R.S. 11:154
- Taxation of benefits and annuities, exemption, LA R.S. 11:405
- Teachers, credit for service, LA R.S. 11:422
- Temporary employees, membership, LA R.S. 11:162
- Temporary employment
 - Credit for service, LA R.S. 11:422
 - Eligibility, LA R.S. 11:413
- Terminal leave payment, definitions, LA R.S. 11:403
 - Retirement contributions, LA R.S. 11:531
- Termination of contributions, LA R.S. 11:538
- Termination of membership, LA R.S. 11:415
 - Definitions, LA R.S. 11:403
 - Group benefits program, LA R.S. 42:811
- Time, deferred retirement option plan, LA R.S. 11:447
- Transfer of membership, LA R.S. 11:413
 - Credit for service, LA R.S. 11:421
 - Judges, LA R.S. 11:551 et seq.
 - Other requirements, LAC 58:I.1503
 - United States civil service retirement system, LA R.S. 11:414
- Transfer of powers and duties, LA R.S. 36:769
- Transfer of securities, LA R.S. 11:517
- Transfers between systems, LA R.S. 11:143, 11:145, 24:36
 - Membership, LA R.S. 11:411
- Trustee
 - Active member trustee, definition LAC 58:I.101
 - Definition LAC 58:I.101
 - Retired Member Trustee, definition LAC 58:I.101
- Trusts and trustees
 - Board of trustees, generally, ante
 - Children, designated retirement beneficiaries, LA R.S. 11:446(G)

Children and minors, survivor benefits, LA R.S. 11:235
Twenty years of service credit, eligibility, actuarial reduction, LA R.S. 11:441
Unclaimed property, LA R.S. 11:540
Unclassified postsecondary education employees, severance pay, LA R.S. 17:425.2
Underwriting life insurance for state employees, LA R.S. 11:515
Unfunded accrued liability, elimination, LA R.S. 11:271
United States, civilian employees, facility absorbed by state, exemption from membership, LA R.S. 11:413
United States civil service retirement system, transfer, LA R.S. 11:414
Unused sick and annual leave, credit, LA R.S. 11:424
Venue, actions, LA C.C.P. Art. 84
Vested right, definitions, LA R.S. 11:403
Vesting, disability retirement, LA R.S. 11:217
Widows and widowers. Survivor benefits, generally, ante
Wildlife Agents
Disability, LA R.S. 11:214 et seq
Employee contribution rates, LA R.S. 11:62
Generally, LA R.S. 11:581 et seq.
Withdrawal from service
 Refund of contributions, LA R.S. 11:537
 Termination of membership, LA R.S. 11:415
Withdrawal of credits, repayment, reciprocal recognition among systems, LA R.S. 11:144
Workers compensation
 Contributions, LA R.S. 11:151
 Cost of living adjustments, disability benefits, LA R.S. 11:221
 Disability retirement, LA R.S. 11:461
Years of service, eligibility for retirement, LA R.S. 11:441

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The Louisiana State Employees' Retirement System (LASERS) distributed this document digitally. No publication costs were incurred.

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