

LIAISON MEMORANDUM NUMBER 12-22

To: Agency Liaison and Payroll Officers

From: Cindy Rougeou
Executive Director

Re: Layoffs

Date: November 7, 2012

In this time of uncertainty, we understand that you and your employees have a lot of questions. Therefore, we have developed some simple steps to follow if your agency is facing layoffs, downsizing, or privatization.

- **Who should you contact at LASERS?**
 - You should contact the LASERS Customer Service Section by calling 1.800.256.3000 or 225.922.0600.
- **When should you contact LASERS?**
 - You should contact LASERS as soon as your agency starts planning to implement a layoff.
- **What information will LASERS need from you?**
 - Date of closure, layoff, or privatization
 - List of affected employees including their name, social security number, and date of birth
- **What services can LASERS offer your agency?**
 - Layoff Meetings – on-site or via teleconference
 - Small group counseling sessions at LASERS
 - Email answers to questions via ASK LASERS
 - Expedited Services for Estimates and Retirement Applications, which are noted as affected by a layoff. (We recommend you deliver these in batches.)

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Common Questions from employees impacted by layoffs:

- **Can I remain in LASERS if my agency becomes privatized?**
 - No.
- **Should I leave my money in LASERS or request a refund?**
 - The answer to this question is unique to each person's situation. But, it should be noted that any employee who refunds forfeits all service credit. Upon returning to state service they will be enrolled under the retirement plan in effect at the time they return. A refund only provides the employee with a return of the contributions they made to LASERS. Refunds do not include interest or employer contributions. Refunds not rolled over into a qualified account are subject to a 20 percent federal tax withholding.
- **Should I retire without receiving an estimate?**
 - LASERS recommends that any employee considering retirement first obtain an estimate of their benefits. The online calculator available for rank-and-file members at lasersonline.org provides a quick and easy way to receive an estimate. A more precise number can be obtained through submission of the [Request for Retirement Benefit Estimate Form 05-01](#).
- **What happens to my leave balance?**
 - Any unused sick and annual leave not otherwise paid by the employing agency can be used for retirement benefits for employees eligible to retire. Leave cannot be used to meet retirement eligibility. Leave balances can either be paid out in a lump sum by LASERS or used to increase monthly benefits.
- **Are there things I can do to make me eligible for retirement benefits if I am terminated before I had planned to retire?**
 - Keep in mind that there is a retirement eligibility if you have 20 years of service at any age that provides an actuarially reduced benefit. The monthly reduction can be much greater for employees out of state service who apply for this benefit.
 - If you have service credit that was refunded you may be able to purchase that time for eligibility purposes.
 - If you have service credit in another state retirement system or in a federal retirement system, you may be able to purchase or transfer that service.
 - Military service may be eligible to purchase for credit.
 - Leave Without Pay is time that may be available for purchase.
 - You may want to purchase Air Time for retirement eligibility.
- **Should I request a cost to repay my refund?**
 - You can determine the cost yourself by using the online calculator at www.lasersonline.org or you can submit [Form 02-11 Application for Repayment of Refunded Service](#).
- **Is Air Time really expensive?**
 - Possibly. The cost varies for each member based on their age and how close they are to retirement. You can find your specific cost by completing the [Application for Purchase of Service R.S. 11:429\(B\) Form 02-07](#) and paying the \$150 actuarial calculation fee. You can also view sample situations on our [website](#), which may give you an idea of the cost.