

LIAISON MEMORANDUM

NUMBER 07-08

(Updating Numbers 05-17, 03-01, and 01-19)

To: Agency Liaison Officers

From: Cindy Rougeou
Executive Director

Re: USERRA

Date: May 23, 2007

Since many military reservists and members of the National Guard are being called to active duty, LASERS is reissuing this information concerning the actions required to maintain the retirement benefits of affected employees. This memo is intended to update and replace the following Liaison Memoranda, which covered the subject of USERRA:

- 05-17
- 03-01
- 01-19

According to the Uniformed Service Employment and Re-employment Rights Act (USERRA) and the Military Relief Act of 1991 (La. R.S. 29:401-425), any person who takes leave from state employment for active duty in the uniformed services shall be treated as being on military leave of absence during the period of service. The employee must make an election to either use any amount or combination of annual leave, paid leave, or compensatory time during this time or to be placed on military leave without pay (LWOP).

If the employee elects to be placed on paid leave during the military duty absence, both employee and employer contributions **must** be reported to LASERS as usual. Service credit earned during this period will count toward retirement *eligibility* as well as toward retirement *benefit computation*.

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An employee who elects to be placed on military LWOP may continue to submit their employee contributions to the employer based on the salary the employee would have received as if the employee had continued working full time, including any salary increases. In this situation, the employer must continue to remit contributions during the employee's period of active military duty for up to five years.

Upon receipt of these funds, the employer must report the applicable earnings and remit both employee and employer contributions to LASERS on the appropriate monthly report. The reported information should include:

- member name
- Social Security number
- base pay
- earnings
- employee contributions
- employer contributions

Service credit earned during this period will count toward retirement *eligibility* as well as toward retirement *benefit computation*.

If an employee who is placed on military LWOP chooses **not** to pay contributions during the period of active military duty, the employee will receive retirement credit for a period of up to five years for the sole purpose of determining retirement eligibility. The employee may elect to pay the contributions *at a later date* and receive up to five years of service credit and retirement eligibility *provided the employee was honorably discharged and returned to state employment within 90 days of their military separation date*.

There is a time limit during which repayment of contributions to LASERS can be made. Using the date of re-employment as a starting point, the employee has either five years or three times their active duty period not to exceed five years, whichever is less. This is *not* an actuarial purchase. The member will not be charged interest on this payment. Employer contributions must be remitted within 30 days after the employee share has been paid. Contact the LASERS Member Services Division to obtain the required information for payment.

If you have additional questions, please contact a LASERS Member Services Representative at (225) 922-0600.