TRANSITION TO HAZARDOUS DUTY SERVICES PLAN (HAZ PLAN)

(La. R.S. 11:620 & 620.1)

This Chapter describes how a Regular Member in a hazardous duty position or Member of specialty hazardous duty services plan hired prior to January 1, 2011, or a member of the Harbor Police Department for the Port of New Orleans hired prior to July 1, 2014, or a Firefighter in the Department of Agriculture and Forestry hired prior to June 30, 2018, can make an irrevocable decision to join the HAZ PLAN. Members who have already participated in DROP as a member of any other LASERS retirement plan or the Harbor Police Retirement System or who retired under the provisions of any other LASERS retirement plan and are rehired retirees under Option 1 or Option 3 are not eligible to join the HAZ PLAN. For the plan benefits, see chapter 23 about the Hazardous Duty Services Plan.

Persons Eligible to Join the HAZ PLAN (<u>La. R.S. 11:612(2)</u> & (2.1))

Members who were employed in one of the following positions prior to January 1, 2011 (unless otherwise noted), are eligible to join the HAZ PLAN:

- Wildlife Agents of the enforcement division of the Department of Wildlife & Fisheries;
- Wardens, correctional officers, security personnel, and probation and parole officers employed by the Department of Public Safety and Corrections;
- Employees of the bridge police section of the Crescent City Connection Division of the Department of Transportation and Development;
- 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;

- 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;
- Arson investigators employed by the Office of the State Fire Marshall who are P.O.S.T.-certified, who have the power to arrest, and who hold a commission from such office;
- Park rangers employed by the Department of Culture, Recreation & 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;
- 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;
- 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;
- Investigators of the Department of Justice who are employed in positions required to be P.O.S.T.certified;
- Investigators of the office of state inspector general who are employed in positions required to be P.O.S.T.-certified;
- Commissioned employees of the Harbor Police Department of the Port of New Orleans hired prior to July 1, 2014;
- Department of Agriculture and Forestry employees who respond to wildfires and are trained as wildland firefighters, as provided in R.S. 3:4276(9), first hired prior to June 30, 2018; and

 All personnel employed in a position required to be P.O.S.T.-certified, who have the power to arrest, and who hold a commission as required for employment in such positions, who are otherwise members of LASERS and are not members of any other retirement system.

The decision to join the HAZ PLAN may be made at any time after January 1, 2011. This decision is irrevocable and may never be changed. All members eligible to join the HAZ PLAN must complete *Form* 02-18: Hazardous Duty Services Plan Election. If you choose to stay in your existing plan, you may change that decision at any time prior to retirement or participation in DROP.

Any member who elects to join this plan shall, for all purposes, be treated as an employee whose first eligibility for membership occurred on or after January 1, 2011.

NOTE: Employees of the Harbor Police Department of the Port of New Orleans have different options and procedures and should contact LASERS directly before joining the HAZ PLAN.

Options Upon Joining the HAZ PLAN

If you are eligible to join the HAZ PLAN, your choices are:

- Maintain your existing service credit in your current plan under the provisions of that plan and join the HAZ PLAN day forward, accruing service credit and benefits prospectively. If your joining results in an actuarial cost to LASERS, you must pay that cost prior to your retirement. It is impossible to know if there is a cost and the amount of that cost until you actually prepare to retire. You may avoid this uncertainty by choosing one of the alternatives below.
- 2. Join the HAZ PLAN and transfer all of your service credit into the new plan. If the transfer results in no cost to the system, you will receive the same number of years in the HAZ PLAN that you earned in your prior service. If there is a cost, you may accept the years on a pro rata basis.

The time transferred will count toward HAZ PLAN retirement eligibility, but will be calculated at the accrual rate at which it was earned.

- 3. Join the HAZ PLAN and transfer all of your service credit into the new plan, paying the actuarial cost so that you receive credit for the actual number of years transferred or a portion of those years. The time transferred will count toward HAZ PLAN retirement eligibility, but will be calculated at the accrual rate at which it was earned.
- 4. Join the HAZ PLAN according to option 2 or 3 and pay to upgrade the prior service credit to the 3.33 percent accrual rate. The transferred and upgraded time will then count toward HAZ PLAN eligibility and benefits. However, the 3.33 percent accrual rate will not apply unless you spend your last 10 years of service in a hazardous duty position.
- 5. Keep the status quo in your existing plan, maintaining your same contribution rate, retirement eligibility, benefit provisions, and accrual rate.

ELECTION PROCESS

You must submit to LASERS:

- Form 02-18: Hazardous Duty Services Plan Election, indicating whether or not you are joining the HAZ PLAN If you previously held a position that qualified as hazardous duty, you must submit to LASERS:
- Form 01-11: Certification of Prior Employment in a Hazardous Duty Position

To request an invoice to determine the cost to join, transfer and/or upgrade service credit, you must submit to LASERS:

- Form 02-19: Application to Transfer/ Upgrade Service into the Hazardous Duty Services Plan
- The nonrefundable actuarial calculation fee made payable to LASERS.

If you decide to pay the invoice, and upgrade your service credit, you will accrue benefits at 3.33 percent of your average compensation for each year of upgraded service. However, if your last 10 years of service were not worked exclusively in a hazardous duty position, you will only receive 2.5 percent of your average compensation per year for HAZ PLAN service and upgraded service will be paid at the accrual rate at which it was earned. If you have paid to upgrade your service and do not meet eligibility for the 3.33 percent accrual rate, you will not receive a refund for your upgraded time. Any such upgrade must be completed prior to retirement or participation in DROP. This election is irrevocable.

Retirement Eligibility

(La. R.S. 11:614)

If you join the HAZ PLAN, you must meet the following retirement eligibility based on years of service earned in the plan or prior service that is transferred to the plan:

- 12 years of service credit at age 55
- 25 years of service credit any age
- 20 years of service at any age, with an actuarially reduced benefit (Deferred Retirement Option Plan [DROP] participation and retirement with an Initial Benefit Option [IBO] are not available to members who choose this option). The actuarial reduction is based on the number of months you are away from HAZ PLAN Regular retirement eligibility. This reduction can be affected depending on whether you are in state service or out of state service at the time of our retirement.

Health Insurance Premiums

The premiums for health insurance coverage paid by any retiree participating in the Office of Group Benefits program who has transferred service credit to the HAZ PLAN who retires with 12 years of service at age 55 or 25 years of service at any age shall be increased by an amount sufficient to pay for any increase in the employer's premiums resulting from his retirement pursuant to such sections until the age at which the retiree meets regular plan retirement eligibility. There is no increase for those who retire with 20 years of service at any age.

NOTE: The health insurance increase is unique to the HAZ PLAN and is not impacted by the Office of Group Benefits Retiree Participation Schedule.

Opting out of the HAZ PLAN

An employee who is a contributing member of any other plan in LASERS or another state or statewide system who would otherwise be required to become a member of the HAZ PLAN as a condition of employment may elect at the time of his employment to remain a member of such other system for which he remains eligible for membership.



EMPLOYER FORMS

Available to HR reps only.

Form 02-18: Hazardous Duty Services *Plan Election*

Form 01-11: Certification of Prior Employment in a Hazardous Duty Position

Form 02-19: Application to Transfer/Upgrade Service into the Hazardous Duty Services Plan