

State of Louisiana

SCHOOL EMPLOYEES' RETIREMENT SYSTEM

P. O. BOX 44516

BATON ROUGE, LOUISIANA 70804-4516

Telephone: (225) 925-6484

<http://www.lasers.state.la.us>

LEGISLATION PASSED IN 2010 REGULAR LEGISLATIVE SESSION

Revised October 18, 2010

The following is legislation passed during the 2010 Legislative Session that affects Louisiana School Employees' Retirement System (LSERS) and its members:

Act 318

For those individuals whose first employment made them eligible for membership in LSERS on or after July 1, 2010:

- 8% contribution rate
- 2.5% accrual rate
- Minimum requirement to start drawing a benefit - 10 years of service and age 60

For disability retirees the accrual rate shall be 2.5% without actuarial reduction.

This Act became effective July 1, 2010.

Act 634

Compromise bill offered in lieu of the entire retirement benefit forfeiture bills.

- Allows for garnishment of retirement benefit to pay court-ordered fine, restitution, or cost of parole, probation, or incarceration.
- Only applies to felonies in connection with member's employment committed on or after July 1, 2010.
- Benefits can be garnished only in response to a writ of fieri facias (court order).

Act 850

Amends the open meetings law - requires allowance of a "public comment period" before taking action on any agenda item.

Act 1004

Provides for investment related matters including mandatory quarterly reporting to the legislative retirement committees

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LEGISLATION PASSED IN 2010 REGULAR LEGISLATIVE SESSION

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Act 992

Similar to Act 318, but with different minimum requirements for years of service, this Act becomes effective January 1, 2011:

- 8% contribution
- 2.5% accrual rate
- Minimum requirement to start drawing a benefit – 5 years of service and age 60

Future disability retirees under Act 992 shall choose an option that will apply to retirement benefits at the time of death.

Subsection B: Surviving spouse with a minor or disabled child shall be paid the greater of the following benefit as long as the child is eligible:

- 50% of benefit to which the member would have been eligible to receive using the member's accrual rate, regardless of age, or \$600

Deceased member must have been "active" at the time of death, had 5 or more years of service (at least 2 of which was earned immediately prior to death), or had 20 or more years of service.

Benefits shall cease upon remarriage, but resume upon death or divorce of new spouse. Benefits **do not** cease upon spouse's remarriage if the member was eligible to retire at the time of death.

Subsection C: Each child (maximum of 2 children) shall be paid a benefit of 50% of the surviving spouse benefit, provided the member had 5 years of service. This benefit shall be paid in addition to the benefit in "B", even if no spouse is eligible for this benefit.

Benefits shall cease, unless the unmarried child is disabled, when the child reaches age 18 or age 23 if the child is an unmarried full-time student.

Subsection D: Surviving spouse with no minor or disabled child shall be paid for life the greater of Option 2 actuarially reduced (if applicable) or \$600 if spouse had been married at least 1 year, member had 10 years of service (2 of which were earned immediately prior to death) or member had 20 years of service.

Benefits shall cease upon remarriage, but resume upon death or divorce of new spouse. Benefits **do not** cease upon spouse's remarriage if the member was eligible to retire at the time of death.

A lump sum of the contributions will be paid to the beneficiary or estate, upon receipt of a death certificate, if no survivor benefits are payable. May name a trust to receive a minor child's benefit.