



Louisiana Retired Teachers Association

# Forum on Educational Issues

Cecilia High School  
Sunday, March 4, 2012  
Cecilia, Louisiana



## Louisiana Retired Teachers Association

The Louisiana Retired Teachers Association is a private non-profit professional association incorporated under the provisions of the Internal Revenue Code. In order to maintain the association's tax-exempt status, LRTA cannot endorse or monetarily support candidates for public office. Under the provisions of the IRC, LRTA is also limited in taking positions on bills that affect the membership. Therefore, LRTA will not be taking positions on bills dealing with education reform.

### Mission Statement of the Association:

The Louisiana Retired Teachers Association is the voice of the retired education community representing its interests in monitoring, protecting and improving the benefits needed to secure dignity, independence, and overall quality of life.



## Bills Affecting Current Members

- HB 56 and SB 52 will require current members to pay an additional 3% of salary to the retirement system. Effective July 1, 2012.
- HB 55, SB 42, and SB 47 will adjust final average compensation to include the highest five consecutive years of salary, rather than the highest three consecutive years. Effective June 30, 2012.
- HB 53 and SB 51 require members who are not age 55 by June 30, 2012 to work until age 67 to receive a retirement benefit that is not actuarially reduced. Effective June 30, 2012.



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## Bills Affecting Future Members

- SB 17 and SB 26 establish a defined contribution plan for new members joining the retirement system on or after January 1, 2013.
- HB 61 and SB 53 create a cash balance plan for new members joining the retirement system after June 30, 2012.

NOTE: None of the above bills impact K-12 positions



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## TRSL Board of Trustees Governance

- HB 54 and SB 48 add the commissioner of administration to the TRSL board of trustees. The bills become effective July 1, 2012.



## Merger of Retirement Systems

- HB 60, SB 46, and SB 56 merge the Louisiana School Employees' Retirement System with the Teachers' Retirement System of Louisiana. The merger will be effective July 1, 2012.
- SB 45 transfers school food service workers from the Teachers' Retirement System of Louisiana to the Louisiana School Employees' Retirement System. The transfer will be effective July 1, 2012.



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## Return-to-Work

- HB 14 eliminates the opportunity for any person receiving a retirement benefit from one of the state's public pension plans to return to work in a position covered by a public employee retirement system and continue to receive any part of their benefit while working.





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- Other return-to-work bills will allow retirees to earn up to 25% of their retirement benefit during any given fiscal year. Benefits will be reduced by any amount earned above the 25% limit. The bills are:
  - HB 19 and SB 19—substitute teachers
  - HB 20 and SB 20—adjunct professors





## Permanent Benefit Increases

- SB 1 removes \$200 million requirement, removes 80% funding requirement, and lowers the eligible age to receive a PBI from 60 to 55.

These provisions were implemented on July 1, 2009 with the passage of Act No. 497.



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**LRTA's web site**

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