

HOUSE COMMITTEE AMENDMENTS

Amendments proposed by House Committee on Retirement to Engrossed Senate Bill No. 16 by Senator Long

AMENDMENT NO. 1

On page 1, line 2, after "retirement;" delete the remainder of the line in its entirety, and at the beginning of line 3, delete "plan";"

AMENDMENT NO. 2

On page 1, delete lines 11 through 13 in their entirety, and insert the following in lieu thereof:

"F.(1) Beginning with the fiscal year in which the plan provided for in Chapter 7 of Subtitle II of Title 11 of the Louisiana Revised Statutes of 1950, hereafter referred to in this Subsection as the "cash balance plan", becomes effective and continuing every year thereafter, each postsecondary education board created by Article VIII of the Constitution of Louisiana shall adopt, as a percentage of payroll, the employer's portion to be paid to the appropriate company or companies as provided in Subsection B of this Section, which shall be the same for all employer institutions and agencies under its supervision and control. The minimum amount shall be equal to the employer's portion of the normal cost contribution that would have been contributed had the participant been a member of the cash balance plan, and the maximum amount shall be equal to the employer's portion of the normal cost contribution that would have been contributed had he been a member of Tier 1 of the regular retirement plan of the Teachers' Retirement System of Louisiana. If a postsecondary education board fails to adopt a rate by June first of any year, the employer contribution rate for each employer institution and agency under its supervision and control shall be the Tier 1 normal cost contribution of the regular retirement plan of the Teachers' Retirement System of Louisiana.

(2) The employer's contribution to the optional retirement plan for participants who are not employed by an institution or agency under the supervision and control of a higher education board created by Article VIII of the Constitution of Louisiana shall be the employer's portion of the normal cost contribution that would have been contributed had he been a member of Tier 1 of the regular retirement plan of the Teachers' Retirement System of Louisiana.

(3) For the fiscal year in which the cash balance plan becomes effective, the employer contribution, expressed as a percentage of payroll, established pursuant to this Subsection shall be reported to the Teachers' Retirement System of Louisiana no later than thirty days prior to the date on which enrollment in the cash balance plan is otherwise required for optional retirement plan participants. Annually thereafter, the employer contribution, expressed as a percentage of payroll, established pursuant to this Subsection shall be reported to the Teachers' Retirement System of Louisiana no later than June first with respect to the fiscal year that begins on the immediately following July first.

(4) This Subsection shall not alter the employer's required contribution for the amortization of the unfunded accrued liability. The total employer contribution shall be adjusted based on the amount set pursuant to Paragraph (1) of this Subsection. Following transmittal to the appropriate companies of the employer contribution set pursuant to this Subsection, the Teachers' Retirement System of Louisiana shall retain the balance of this contribution for application to the unfunded accrued liability of the system."