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LIEUTENANT GOVERNOR

State of Louisiana
OFFICE OF THE LIEUTENANT GOVERNOR
DEPARTMENT OF CULTURE, RECREATION & TOURISM
MANAGEMENT AND FINANCE

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SECRETARY

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UNDERSECRETARY

HUMAN RESOURCES MEMORANDUM NO. 04-049

September 21, 2004

TO: Lt. Governor, Secretary, Undersecretary, Assistant Secretaries, Deputy Assistant Secretaries, Program Managers

FROM: Mary V. Gloston
Human Resources Director

SUBJECT: LASERS, Early Retirement Act No. 194 - Implementation

You previously received information regarding the LASERS Early Retirement Act No. 194 applicable to LASERS members only. Act 194 specifically provides the following:

In accordance with the provisions of Act 194, the **eligibility and retirement benefit requirements** are:

- Any member of LASERS may submit application for retirement during the period June 14, 2004 (effective date of this act) through December 31, 2006.
- The employee must set the effective date of the retirement during this same period.
- The employee must have attained at least age fifty (50) and ten years (10) of service credit to his retirement account, excluding military service credit.
- Any person who retires pursuant to the provisions of this Act shall not be eligible to participate in the Deferred Retirement Option Plan (DROP) or the Initial Benefit Option (IBO).
- Any person who retires under this Act or under provisions of R.S. 11:441(A)(4) will not be eligible for reemployment by the state or any of its agencies for a period of two (2) years from the date of retirement.

Act 194 is a payroll reduction act and the intention is to effect a permanent and substantial reduction in the number of state employees on the state payroll. This Act also has restrictions on filling subsequent vacancies. Those restrictions are:

1. Any position becoming vacant as a result of a person's retirement pursuant to Act 194 or R.S. 11:4412(A)(4) during this period shall be abolished. Limited reestablishment of positions vacated as a result of this legislation or R.S. 11:441(A)(4) requires joint authorization by the Commissioner of Administration and the Director of the Department of State Civil Service. Positions that are reestablished **shall be filled only by appointment of existing employees from within the same agency whenever the agency has qualified personnel to fill such positions.** Positions that become vacant by such an appointment shall also be abolished and subject to the same reestablishment conditions discussed above.

2. No more than 10% of the position in each branch of state government that have become vacant as a result of early retirements may be reestablished over any five-year period and no more than 1/3 of the positions abolished in any one fiscal year may be reestablished during that fiscal year. ***These limitations are inapplicable with respect to specific individual cases whenever an emergency need exists.***

Information must be reported via the BA-7 to the Division of Administration, Office of Planning on Budget, on retirements due to Act 194 or R.S. 11:441(A)(4) as well as requests for reestablishment of abolished positions as a result of these retirements. The Human Resources and Fiscal offices will prepare and submit appropriate BA-7 information as required, however, **if reestablishment of positions is required**, agencies should send a full explanation or justification to Human Resources explaining the emergency need. Please ensure that this justification reflects Appointing Authority signature. This information will be submitted with the BA-7 to the Commissioner of Administration and the Director of Civil Service for joint authorization. Upon approval (or denial) of the request, Human Resources will notify your agency.

If you have any questions regarding the above information, please do not hesitate in contacting me at 342-0880.

cc: Beverly Shaw, Fiscal Officer

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