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LIEUTENANT GOVERNOR

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

ANGÈLE DAVIS
SECRETARY

HUMAN RESOURCES MEMORANDUM NO. 06-011

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

FROM: Mary V. Gloston *mvb*
Human Resources Director

SUBJECT: LASERS – Changes for Employees Hired on or after July 1, 2006

DATE: June 7, 2006

ACT 75 of the 2005 Regular Legislative Session mandated several changes in retirement benefits and contributions for employees in LASERS-eligible positions who are **hired on or after July 1, 2006**.

The changes this legislation created are as follows:

LASERS Benefits and contributions for members **hired on or after July 1, 2006**

- a) Employee Contribution Rate: 8.0 percent
- b) Average Compensation: Based on the sixty highest months of successive employment or for the sixty highest joined months of successive employment where interruption of service occurred. Part-time employees who do not use sixty months of full-time employment for average compensation purposes shall be based on the base pay the part-time employee would have received had he been employed on a full-time basis. These provisions shall not apply to members who are governed by La. R.S. 11:557 (Judges), 582 (Wildlife Agents), 602 (Public Safety Officers) or 24.37 (Legislature)
- c) Eligibility for Retirement: **ten (10 years of service credit at age sixty (60) or thereafter only.**
- d) Disability Benefit Accrual:
Benefit calculated at 1.8 percent accrual
Benefit recalculated based on regular retirement at age 60 upon application to the Board. These provisions will not apply to persons receiving a benefit pursuant to La. R.S. 11:557 (Judges) of La. R.S. 24.36 (Legislature)

- e) There are no provisions for participation in the Deferred Retirement Option Plan (DROP) or for retirement with an Initial Benefit Option (IBO) for those whose membership falls under the provisions of Act 75.

Changes to Act 75 of the 2005 Regular Legislative Session apply to:

- 1) LASERS members hired on or after July 1, 2006, and
- 2) LASERS members employed before July 1, 2006, who terminated employment, **received a refund of their contributions** and returned to work on or after July 1, 2006.

Retirement benefits and contributions remain unchanged by this legislation for:

- 1) Employees hired before July 1, 2006, and
- 2) Employees hired before July 1, 2006, who terminated employment, **left their contributions in LASERS** and became rehired on or after July 1, 2006.

Please make this information available to all of your employees. Human Resources Liaisons and Staff Members who are responsible for New Hire Orientation shall inform new employees of their LASERS contribution rate and benefits.

If you have any questions, please contact Jan Ramezan, (225) 342-0880 in the Human Resources Office.

MVG/JR/cm
c: Personnel Liaisons

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