



Teachers' Retirement System of Louisiana

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September 28, 2021

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The Honorable Edward J. Price
Chairman, Senate Retirement Committee
State Capitol
Post Office Box 94183
Baton Rouge, LA 70804

The Honorable Lance Harris
Chairman, House Retirement Committee
State Capitol
Post Office Box 94062
Baton Rouge, LA 70804

Dear Senator Price and Representative Harris,

Pursuant to R.S. 49:968(D)(1)(b), the Board of Trustees of the Teachers' Retirement System of Louisiana (TRSL) hereby announces its plan to proceed with rule-making by finalizing the June 20, 2021, Notice of Intent that was promulgated on page 811 of the June 2021 Louisiana Register. The proposed rules make changes relative to voluntary deductions from retiree benefits payroll. The proposed changes would reorganize the current rules and update them to match current practices. In addition, the changes codify TRSL's current practice of withholding membership dues for retiree organizations and would allow similarly situated professional organizations to participate in the voluntary deduction program and would update eligibility requirements for insurance companies, banks, credit unions and professional organizations. The proposed rules are being promulgated pursuant to the authority granted in R.S. 11:826.

The following is a summary of the proposed changes:

§1101 General

Section 1101 is being reorganized to break out each of the groups for which TRSL allows voluntary withholding. The rule will continue to allow for withholding for supplemental life, health, dental, cancer, or other supplemental insurance premiums and for deductions for savings, loans, or other payments to be sent to banks and credit unions. The proposed changes will codify our current practice of withholding membership dues for a retiree organization, and would allow the withholding of membership dues for similarly situated professional organizations who are TRSL employers.

Toll free (outside the Baton Rouge area): 1.877.ASK.TRSL (1.877.275.8775)

TRSL is an equal opportunity employer and complies with the Americans with Disabilities Act.

Additionally, the current rules regarding limitations, restrictions and discontinuation of retiree, beneficiary and survivor participation are being moved to Section 1101.

§1103 Application Process

Section 1103 is being amended to add a provision stating that the board of trustees retains the discretion to accept or deny any application for voluntary payroll deductions. The other amendments to Section 1103 are technical.

§1105 Requirements

Section 1105 is being amended to remove the requirements regarding retirees, which are being moved to Section 1101. The remaining requirements, which deal with companies and credit unions, are being reorganized and updated to match our current procedures, such as removing the use of computer diskettes. The amendment also removes outdated requirements for insurance vendors and instead provides that such vendors must meet the payroll deduction requirements set forth in state law.

The amendments make participation requirements applicable to professional organizations. Professional organizations will be required to enter into an agreement with TRSL in regards to the deduction timing and the manner in which information and membership dues are transmitted, as well as reimbursement for any fees or costs incurred by TRSL.

The final substantive amendment to Section 1105 provides that companies, credit unions and professional organizations are responsible for refunding any amounts deducted in error to the individual retiree, beneficiary or survivor. The other amendments to Section 1105 are technical.

§1107 Disclaimer

Section 1107 prohibits companies and credit unions from stating that any product offered has been endorsed or approved by TRSL. The amendment adds that any such statement shall be grounds for immediate termination from the voluntary deduction program. The amendment also adds professional organizations to the rule.

§1109 Transmittal of Withheld Amounts

Section 1109 is being amended to remove references to computer printouts. The remaining amendments are technical.

§1111 Termination of Payroll Deduction

Section 1111, regarding the board of trustees' ability to terminate a company or credit union's participation in the program is being amended to add professional organizations to the rule.

The Board has received no public comments and therefore has not conducted a hearing pursuant to R.S. 49:953(A)(2). The Board has made no changes to the rules contained in the Notice of Intent. Subject to legislative oversight by either the House or Senate

Committee on Retirement, the Board intends to submit the rule to the Office of State Register for publication.

The Notice of Intent containing the proposed rules can be viewed on page 811 at:
<https://www.doa.la.gov/media/1dehawni/2106.pdf>

If you or your staff has any questions related to these proposed rules, please contact us.

Sincerely,



Matt Tessier
Deputy General Counsel

cc: Laura Gail Sullivan
Angela Lockett-DeJean
Joey David