



RETIREEES

Teachers' Retirement System of Louisiana

Vol 29, No 1

COVID-19: TRSL delivering member services with safety in mind

Throughout the public health emergency caused by COVID-19, work at TRSL didn't stop. It did, however, take on a different look. To protect the health and safety of members and staff, the bulk of TRSL's work was conducted remotely—even member counseling.

"We continued to serve our members through phone, email, and telecommunication," TRSL Director Dana Vicknair said. "We are now working to resume on-site services with appropriate safety protocols."

At the time of this printing, the state was in Phase 2 of reopening. Although on-site counseling is not yet available, TRSL has implemented a number of safety measures for when visitors do return to the building, including requiring masks in public areas of the office, limiting to two the number of people in elevators, and installing sneeze guard shields in offices for face-to-face counseling. In the meantime, members can still handle business with us in all of the following ways:

- **PHONE:** Local: 225-925-6446; Toll-free (Outside Baton Rouge) 1-877-ASK-TRSL (1-877-275-8775)
- **EMAIL:** web.master@trsl.org
- **DOCUMENT DELIVERY:** Drop off or Mail in: 8401 United Plaza Blvd, Ste. 300, Baton Rouge LA 70809-7017; Fax: 225-925-4779
- **SELF SERVICE:** Member Access at www.TRSL.org

ALERT: Get the facts about your account from TRSL

Sometimes TRSL members are contacted about their retirement benefits and income by companies or organizations that are **not** affiliated with TRSL. Please keep the following information in mind if you are contacted about your TRSL benefits.


- **TRSL does not authorize or endorse any outside, third-party vendors to represent TRSL or provide TRSL retirement information to you.**
- **TRSL staff will never come to your home or call you unsolicited to ask for your personal information.**

If you have any questions about your TRSL retirement, please contact us directly:

LOCAL PHONE:
225-925-6446

**TOLL FREE
(Outside Baton Rouge):**
1-877-275-8775

EMAIL
web.master@trsl.org



For the latest COVID-19 announcements, including updates about on-site TRSL services and information about the Coronavirus Aid, Relief, and Economic Security (CARES) Act, visit the COVID-19 page of our website at www.TRSL.org.

2020 REGULAR SESSION



Legislative session wrap-up

The 2020 Regular Session lasted from March 9 through June 1, with a month-long hiatus associated with the COVID-19 stay-at-home orders. Throughout the session, TRSL monitored 24 pieces of legislation that would have impacted the retirement system and its members.

In the end, two bills and four resolutions impacting TRSL passed, including a bill with significant changes related to returning to work and a pair of study requests related to permanent benefit increases.

New RTW law creates additional tier of provisions

Act 337 of 2020 (formerly House Bill 8), by Rep. Ryan Bourriaque enacts La. R.S. 11:710.1. Retirees who return to work in a position eligible for TRSL membership for the first time on or after July 1, 2020 will be subject to this new RTW law. These retirees will be referred to as the **2020 Group**.



Retirees who returned to work in a position eligible for TRSL membership before July 1, 2020, or who retired on or before June 30, 2010 (grandfathered group) continue to be subject to the RTW law that existed before Act 337, unless they make an **irrevocable** election to be covered by the new law for all future employment. These retirees will be referred to as the **2010 Group**.

Act 337 requires retirees to choose between the following options that will either limit their earnings during re-employment; suspend their retirement benefit while they accrue a supplemental benefit during re-employment; **or** simply suspend their retirement benefit due to employment by contract or corporate contract. The options from which retirees can choose are determined by whether their position in re-employment is part-time or full-time.

Option 1: (Available to all part-time and full-time direct employment positions) Under this option, retirees will be subject to an earnings limit equal to 25% of their final average compensation (FAC) per fiscal year. If the earnings limit is exceeded during the fiscal year, the retiree's TRSL benefit will be reduced by the amount that exceeds the limit. Employee and employer contributions are required, but employee contributions are refundable upon termination of re-employment.

Option 2: (Available to all full-time direct employment positions) Under this option, retirees will have their TRSL benefits suspended for the duration of re-employment. However, the retiree will return to active member status in TRSL and accrue a supplemental benefit, which will be calculated with the same formula used to determine the original benefit. The FAC used to calculate the supplemental benefit will depend on the length of re-employment. Employee and employer contributions to TRSL are required during re-employment.

Employment by contract or corporate contract: Retirees returning to work through employment by contract or corporate contract will have their

RTW LAW	WHO IS COVERED
 <p>2010 GROUP Subject to La. R.S. 11:710</p>	<ul style="list-style-type: none"> ✓ Retirees who returned to work in a position eligible for TRSL membership before July 1, 2020 ✓ Retirees who retired on or before June 30, 2010 (grandfathered group)
 <p>2020 GROUP Subject to La. R.S. 11:710.1</p>	<ul style="list-style-type: none"> ✓ Retirees who return to work in a position eligible for TRSL membership <u>for the first time</u> on or after July 1, 2020 ✓ Retirees in the 2010 Group (subject to La. R.S. 11:710) who make an irrevocable election to be in the 2020 Group

2020 legislative session wrap-up *continued from left*

benefit suspended for the duration of re-employment. Contributions are not required and no service credit is earned.

NOTE: Act 337 also allows a retiree returning to work under Option 1 to convert to Option 2 any time before or after reaching the 25% of FAC earnings limit.

RTW provisions that remain unchanged

Certain provisions of the RTW laws are applicable to all TRSL retirees regardless of when they retired and/or returned to work in a position eligible for TRSL membership.

- **Required waiting period:** RTW retirees who become re-employed within 12 months of their retirement date will have their retirement benefits suspended for the duration of re-employment or the lapse of 12 months, whichever occurs first. *NOTE: Certain retirees (subject to La. R.S. 11:710) may be subject to a 36-month waiting period. Please contact TRSL for specific information.*
- **Disability retirement:** Any RTW retiree receiving a TRSL disability retirement cannot return to work in the field of public or private education. Those who do so will have their disability benefits terminated. These retirees can return to work outside the field of education without penalty. However, there are limits on how much they can earn while continuing to collect a disability benefit.

RTW laws have undergone numerous changes over the past several years. If you decide to return to work, please make sure you know how it could affect your TRSL benefits. To learn more, visit the RTW pages of our website at www.TRSL.org. Or contact Jessica Trosclair, TRSL's RTW specialist at 225-925-3663 or jessica.trosclair@trsl.org.

Lawmakers looking for ways to pay **PBIs**

Aware that retirees have not received a permanent benefit increase (PBI) since 2016, lawmakers passed legislation aimed at studying the issue. PBIs are commonly known as cost-of-living adjustments.

The chairs of the Senate and House retirement committees each sponsored study resolutions, **Senate Resolution 15** (*Sen. Ed Price*) and **House Resolution 21** (*Rep. Lance Harris*) that request the four state retirement systems work together to report to the legislature on alternative methods for providing PBIs to retirees in future years.

The resolution requests that the PBI study be submitted to the legislature by December 1, 2020.

State asks Congress to fix Social Security reduction issue

The legislature again this year asked Congress to eliminate or change federal provisions that reduce the Social Security benefits many TRSL retirees are eligible for through their own employment or as the spouse/widow(er) of a Social Security pensioner.

Two concurrent resolutions, **House Concurrent Resolution 9** (*Rep. Mike Johnson*) and **Senate Concurrent Resolution 34** (*Sen. Beth Mizell*) ask Congress to consider eliminating or reducing the Windfall Elimination Provision (WEP) and the Government Pension Offset (GPO) Social Security benefit reductions.

Although Congressional action is required to change these laws, state legislators have continued to pass resolutions over the years to urge federal lawmakers to take action on this issue.

Supplemental payment to the UAL gets nod

Act 255 (formerly House Bill 307), sponsored by Rep. Jerome Zeringue, makes a \$36.7 million supplemental appropriation to the TRSL initial unfunded accrued liability (IUAL) from a portion of the FY 2018-19 surplus funds in the state treasury.

In 2011, voters approved a constitutional amendment that allows the legislature to make a supplemental appropriation to the UAL from a surplus of non-recurring revenue from the previous fiscal year.

Visit the "Legislation" page of www.TRSL.org for more information.



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Other RTW news: “Retired teacher” contributions eligible for refund

Under provisions of La. R.S. 11:710 (the RTW law in effect before Act 337), employee and employer contributions are required on compensation received as a re-employed “retired teacher,” even if such service is by contract or corporate contract.

Upon terminating your re-employment, you can apply for a refund of employee contributions that you made.

To request a refund of your contributions, complete and submit a *Retiree Refund Application* (Form 7A). If you would like a direct deposit of your refund, please submit a *Direct Deposit for Refund of Contributions* (Form 7D).

What you need to know

Refunds include **only** employee contributions, not employer contributions or interest.

Refunds can be made after all re-employment ends and all employer contributions reports have been received by TRSL. There is no required 90-day waiting period.

Once TRSL receives all required reporting and correctly completed paperwork, refunds are typically processed within two weeks. Refunds are issued twice a month on the 5th and the 20th.

Retiree contributions are unsheltered and subject to applicable IRS rules and regulations. See our brochure, *Special Tax Notice Regarding TRSL Payments*, available in the publications section of our website, www.TRSL.org.

