

**LCTCS CENTRALIZED PEOPLESOFT PAYROLL
MEMORANDUM
#2008.18**

TO: All PeopleSoft Users

FROM: Lura A. Kamiya
LCTCS Human Resources Director

DATE: January 11, 2008

RE: Annual Reminder: Reemployed/Rehired Retiree under LASERS

Act 165 of 2002 (LSA RS 11:416.1) requires that LASERS retirees who return to state service after May 9, 2002, must select one of three options when they are rehired. The selection is irrevocable and is effective on a fiscal year basis. This status shall have no effect upon any person who retired prior to June 30, 2001, and who is reemployed in state service prior to May 9, 2002 as long as they remain continually employed.

Act 455 of 2001, Reemployed Retirees (who retired on or after July 1, 2001 and were rehired prior to May 9, 2002) requires the election of one of the four irrevocable options. Option 4 is for Act 455 reemployed retirees only.

The retiree has thirty days to choose one of the options provided. Should the retiree fail to make a choice within the thirty-day period, the retiree shall be considered as returning to active service under Option 3.

Option 1: Retirees may elect to limit earnings in any fiscal year to 50% of their annual retirement benefit for such fiscal year. Retirees cannot select this option if estimated earnings for fiscal year will exceed the earnings limit. If actual earnings exceed the limit, then retirement benefits will be reduced by the amount earnings exceed the limit. An annual cost of living adjustment is made based on consumer price index (CPI) for preceding year and the retiree is responsible for monitoring this earnings limitation. No employee or employer contributions are required for earnings under this option.

Option 2: Retirees may regain membership in LASERS by repaying all retirement benefits received plus interest at the actuarial rate. This option allows retirees to restore all service credit and return to active member status as if they had not retired. This option is not available if the retiree participated in the DROP or IBO program.

Option 3: Retirees may suspend their retirement benefits effective on reemployment date and become contributing members of LASERS based on their current employment. Employee and employer contributions must be paid,

and there is no limit on earnings. Upon subsequent retirement, the suspended retirement benefit will be restored. This is the default option if the retiree does not make an election within 30 days of the date of reemployment.

Option 4: (Act 455 reemployed retirees only) The retiree elects to suspend benefits for twelve months following the effective date of retirement. The retiree receives his retirement benefits after the suspension. The retiree will not earn additional service credit during reemployment. Neither the retiree nor the employer will make any contributions to LASERS.

Questions regarding Reemployed Retirees should be directed to LASERS at (225) 922-0600 or (800) 256-3000.