

# LASERS Retirement Eligibility Requirements



## 1. REGULAR MEMBERS

### A. Retirement Eligibility

1. 30 years service at any age
2. 25 years service at age 55
3. 10 years service at age 60
4. 20 years service at any age at an actuarial reduction, or 10 years at age 50 with an actuarial reduction (Act 194 through 12/31/2006). The legislature periodically changes early retirement provisions, visit the LASERS website for updates (<http://www.lasers.state.la.us>).

### B. Contribution Rate

Employee contribution rate is 7.5% of earned compensation

The employer contribution rate is 19.1 percent for the 2005-2006 Fiscal Year (set annually by the Public Retirement Systems Actuarial Committee (PRSAC)) of the creditable compensation paid to every employee who is a member of LASERS. Employer contributions are not credited to individual member accounts but are deposited in LASERS fund to help fund the benefits payable to all members and their beneficiaries.

### C. Retirement Benefits

1. The benefit is based on the average compensation for the 36 highest successive months of employment.
2. The benefit is 2.5% times the number of years of creditable service times the average compensation, plus \$300 annually (additional \$300 is only for members who have been continually employed since July 1, 1986)

### D. Survivor Benefits

1. Minor children-if member had a minimum of five years of service. Minor children receive a benefit of 75% of average compensation (benefit ceases once child reaches age of majority, or 23 if a full-time student).
2. Spouse without minor child-if member has a minimum of 10 years service, the spouse receives a lifetime benefit of 50% of average compensation (must have been married at least one year prior to death). A spouse with minor children receives 75% of average compensation until the child reaches age of majority, or 23 if a full-time student.
3. Spouse and minor children of non-active deceased member must have had at least 20 years service.

### E. Disability Retirement eligibility

1. 10 years service at any age for active members
2. 20 years service at any age for members who are not in active service

NOTE: Benefits are calculated the same as for regular members

### F. Deferred Retirement Option Plan (DROP) Eligibility

- 30 years service at any age
- 25 years service at age 55
- 10 years service at age 60

Maximum 3 year participation period. Election is **irrevocable**. Member must apply within 60 days of reaching the first eligibility requirements to participate.

### G. Initial Benefit Option

Eligibility

- 30 years service at any age
  - 25 years service at age 55
  - 10 years service at age 60
1. Selected at the time of retirement
  2. Pays lump sum of up to 36 months of maximum benefit
  3. Reduces all future benefits
  4. Not available to Disability retirees or DROP participants
  5. Not available to those retiring with the 20 year reduced benefit
  6. Cannot choose Retirement Option 1