

Membership Handbook



Hazardous Duty Services Plan (HAZ PLAN)

(La. R.S. 11:611-621)

This chapter pertains to Hazardous Duty personnel employed on or after January 1, 2011, and those employees in Hazardous Duty Positions employed prior to January 1, 2011, who made the affirmative choice to join the HAZ PLAN (HAZ PLAN Members).

Please refer to the chapters on Regular Members if a topic is not covered in this chapter.

Persons Eligible for HAZ PLAN (La. R.S. 11:612(2) & (2.1))

The following positions qualify for the HAZ PLAN:

- Wildlife Agents of the enforcement division of the Department of Wildlife & Fisheries;
- Wardens, correctional officers, security personnel, and probation and parole officers employed by the Department of Public Safety and Corrections;
- Employees of the bridge police section of the Crescent City Connection Division of the Department of Transportation and Development;
- Full-time law enforcement personnel, supervisors, and administrators who are employed with the Department of Revenue, office of alcohol and tobacco control, who are P.O.S.T.-certified, who have the power to arrest, and who hold a commission from such office;
- Peace officers, as defined by R.S. 40:2402(3)(a), employed by the Department of Public Safety and Corrections, office of state police, other than state troopers;
- Arson investigators employed by the Office of the State Fire Marshall who are P.O.S.T.-certified, who have the power to arrest, and who hold a commission from such office;
- Park rangers employed by the Department of Culture, Recreation & Tourism, Office of State Parks, who are P.O.S.T.-certified, who have the power to arrest, and who hold a commission from such office;
- Campus police officers employed by any institution of postsecondary education, who are P.O.S.T.-certified, who have the power to arrest, and who hold a commission as required for employment as such officers;
- Hospital security officers employed by Louisiana State University, Health Sciences Center, who are P.O.S.T.-certified, who have the power to arrest, and who hold a commission as required for employment as such officers;
- Investigators of the Department of Justice who are employed in positions required to be P.O.S.T.-certified;
- Investigators of the office of state inspector general who are employed in positions required to be P.O.S.T.-certified;
- Commissioned employees of the Harbor Police Department of the Port of New Orleans, first hired on or after July 1, 2014; and
- All personnel employed in a position required to be P.O.S.T.-certified, who have the power to arrest, and who hold a commission as required for employment in such positions, who are otherwise members of LASERS and are not members of any other retirement system.

Persons whose first employment making them eligible for membership in a state system occurred on or after January 1, 2011, will automatically be enrolled in the HAZ PLAN. Persons employed in these positions prior to January 1, 2011, are eligible to join the HAZ PLAN. See the chapter on Transition to Hazardous Duty Services Plan (HAZ PLAN) for more information on how to join.

Contribution Rate (La. R.S. 11:62(5)(g))

HAZ PLAN Members pay a contribution rate of 9.5 percent.

Retirement Eligibility (La. R.S. 11:614)

If you are a HAZ PLAN Member, you become eligible for retirement upon reaching one of the following criteria:

- 12 years of service credit at age 55
- 25 years of service credit any age
- 20 years of service at any age, with an actuarially reduced benefit (Deferred Retirement Option Plan [DROP] participation and retirement with an Initial Benefit Option [IBO] are not available to members who choose this option). The actuarial reduction is based on the number of months you are away from HAZ PLAN eligibility for an unreduced retirement. This reduction can be affected depending on whether you are in state service or out of state service at the time of your retirement.

All years must be worked as a member of the HAZ PLAN, unless you transferred your prior service into the HAZ PLAN.

Under HAZ PLAN retirement, you will not select a retirement option as your benefits are directed by statute.

If you are a member of the HAZ PLAN, and do not meet the eligibility requirements described above, you may retire with five years of service credit at age 60. If you retire under this option, your benefit will be calculated at 2.5 percent of your average compensation and will be paid in accordance with the provisions described in the chapter titled "Retirement Options and the Self-Funded COLA." The retirement benefit and survivor benefit provisions of the HAZ PLAN will not apply if you retire under this option.

Benefit Accrual

If your last 10 years of service were worked in a hazardous duty position, you will receive 3.33 percent of your average compensation per year for all years worked in or transferred and upgraded to the HAZ PLAN.

If your last 10 years of service were worked in a hazardous duty position and you transferred but did not upgrade your prior service into the HAZ PLAN, you will receive credit for your prior service at the accrual rate at which it was earned.

If your last 10 years of service were not worked in a hazardous duty position, you will receive 2.5 percent of your average compensation per year for all years worked in the HAZ PLAN and upgraded service will be paid at the accrual rate at which it was earned (if you had accrued prior service credit in another hazardous duty services plan at the 3.33 percent accrual rate, you maintain this accrual rate for those years of service).

Your average compensation will be based on your highest successive 60 months of earnings.

If you have unused accumulated leave, it will be calculated at 3.33 percent of your average compensation, assuming you have the requisite last 10 years of hazardous duty service. If you have service that was not accrued at 3.33 percent, your unused leave percentage will be pro-rated depending on the years of service.

Robert had prior service as a member of the Bridge Police Plan and elected to join the HAZ PLAN. He transferred 27.2 years into the HAZ PLAN and has now worked 2.8 years in the HAZ PLAN. He is retiring at age 51 with 30 years of service credit. Since his last 10 years of service were worked in a hazardous duty position, he will receive 3.33 percent of his average compensation per year for all years worked in the HAZ PLAN. He has an annual final average compensation of \$62,000.00, so his base retirement benefit would be calculated in the following manner:

$$\begin{array}{r}
 \$62,000.00 \\
 \text{average} \\
 \text{compensation}
 \end{array}
 \times
 \begin{array}{r}
 .025 \\
 \text{accrual} \\
 \text{rate}
 \end{array}
 \times
 \begin{array}{r}
 27.20 \\
 \text{years of service as} \\
 \text{Bridge Police}
 \end{array}
 =
 \begin{array}{r}
 \$42,160.00 \text{ per year} \\
 (\$3,513.33 \text{ per month})
 \end{array}$$

$$\begin{array}{r}
 \$62,000.00 \\
 \text{average} \\
 \text{compensation}
 \end{array}
 \times
 \begin{array}{r}
 .0333 \\
 \text{accrual} \\
 \text{rate}
 \end{array}
 \times
 \begin{array}{r}
 2.80 \\
 \text{years of service in} \\
 \text{the HAZ PLAN}
 \end{array}
 =
 \begin{array}{r}
 \$5,780.88 \text{ per year} \\
 (\$481.74 \text{ per month})
 \end{array}$$

Total benefit = \$47,940.88 per year (\$3,995.07 per month)

He has decided to convert 1.8 years of unused accumulated leave so his leave benefit would be calculated in the following manner:

$$\begin{array}{r}
 27.20 \\
 \text{years of service as} \\
 \text{Bridge Police}
 \end{array}
 /
 \begin{array}{r}
 30.0 \\
 \text{total years} \\
 \text{of service}
 \end{array}
 =
 .906 \text{ (rounded to 91\%)}$$

$$\begin{array}{r}
 2.80 \\
 \text{years of service in} \\
 \text{the HAZ PLAN}
 \end{array}
 /
 \begin{array}{r}
 30.0 \\
 \text{total years} \\
 \text{of service}
 \end{array}
 =
 .093 \text{ (rounded to 9\%)}$$

91% of his total leave credit of 1.8 years = 1.638 (rounded to 1.60)
 9% of his total leave credit of 1.8 years = .162 (rounded to .20)
 He will receive an accrual rate of 2.5% for 1.60 years and 3.33% for .20 years.

$$\begin{array}{r}
 \$62,000.00 \\
 \text{average} \\
 \text{compensation}
 \end{array}
 \times
 \begin{array}{r}
 .025 \\
 \text{accrual} \\
 \text{rate}
 \end{array}
 \times
 \begin{array}{r}
 1.60 \\
 \text{years of} \\
 \text{unused leave}
 \end{array}
 =
 \begin{array}{r}
 \$2,480.00 \text{ per year} \\
 (\$206.66 \text{ per month})
 \end{array}$$

$$\begin{array}{r}
 \$62,000.00 \\
 \text{average} \\
 \text{compensation}
 \end{array}
 \times
 \begin{array}{r}
 .0333 \\
 \text{accrual} \\
 \text{rate}
 \end{array}
 \times
 \begin{array}{r}
 .20 \\
 \text{years of} \\
 \text{unused leave}
 \end{array}
 =
 \begin{array}{r}
 \$412.92 \text{ per year} \\
 (\$34.41 \text{ per month})
 \end{array}$$

Total benefit for unused leave = \$2,892.92 per year (\$241.07 per month)

Total retirement benefit = \$3,995.07 + \$241.07 = \$4,236.14 per month
retirement benefit *converted leave benefit*

Susan had prior service as a member of the Bridge Police Plan and elected to join the HAZ PLAN. She transferred and upgraded 24.4 years into the HAZ PLAN and has now worked 2.8 years in the HAZ PLAN. She is retiring at age 51 with 27.2 years of service credit. Since her last 10 years of service were worked in a hazardous duty position, she will receive 3.33 percent of her average compensation per year for all years worked in or transferred and upgraded to the HAZ PLAN. She has an annual final average compensation of \$62,000.00, so her base retirement benefit would be calculated in the following manner:

$$\begin{array}{rcccccc}
 \$62,000.00 & \times & .0333 & \times & 27.20 & = & \$56,157.12 \text{ per year} \\
 \text{average} & & \text{accrual} & & \text{total years} & & (\$4,679.76 \text{ per month}) \\
 \text{compensation} & & \text{rate} & & \text{of service} & &
 \end{array}$$

$$\begin{array}{rcccccc}
 \$62,000.00 & \times & .0333 & \times & 1.80 & = & \$3,716.28 \text{ per year} \\
 \text{average} & & \text{accrual} & & \text{years of} & & (\$309.69 \text{ per month}) \\
 \text{compensation} & & \text{rate} & & \text{unused leave} & &
 \end{array}$$

$$\begin{array}{rcccccc}
 \text{Total retirement benefit} & = & \$4,679.76 & + & \$309.69 & = & \$4,989.45 \text{ per month} \\
 & & \text{retirement} & & \text{converted} & & \\
 & & \text{benefit} & & \text{leave} & & \\
 & & & & \text{benefit} & &
 \end{array}$$

Limits on Final Average Compensation (La. R.S. 11:612(1))

When calculating your retirement benefit, the earnings used for your average compensation may be capped in order to avoid excessive spikes in compensation.

The earnings to be considered for the 13th through the 24th month shall not exceed 115 percent of the earnings of the 1st through the 12th month. The earnings to be considered for the 25th through the 36th month shall not exceed 115 percent of the earnings of the 13th through the 24th month. The earnings to be considered for the 37th through the 48th month shall not exceed 115 percent of the earnings of the 25th through the 36th month. The earnings for the final 12 months shall not exceed 115 percent of the earnings of the 37th through the 48th month.

Disability Benefits (disability not incurred in the line of duty)

If you become totally disabled and incapable of performing your normal job duties, you may be eligible to start receiving a Disability retirement benefit. If your last 10 years of service credit were in a hazardous duty position, your accrual rate will be 3.33 percent for all years of service earned in or transferred and upgraded to the HAZ PLAN. See the chapter on Disability Retirement for Regular Members.

Disability Benefits (disability incurred in the line of duty)

If you become totally and permanently disabled resulting solely from injuries sustained in the performance of your official duties, you may retire with 75 percent of your final average compensation, regardless of your years of service.

For the details on Disability Retirement application, certification, and continuing benefits, see the chapter on Disability Retirement for Regular Members.

Survivor Benefits (not killed in the line of duty)

Your surviving spouse and minor or handicapped or mentally incapacitated child or children are entitled to the same survivor benefits as Regular Members hired on or after January 1, 2011.

Survivor Benefits (killed in the line of duty)

If you die in the line of duty or as a direct result of an injury sustained while in the line of duty on active duty status, your surviving spouse and minor or handicapped or mentally incapacitated child or children are entitled to survivor benefits of 80 percent of your final average compensation. The benefit is shared equally. If a survivor is no longer eligible for benefits, the remaining beneficiaries will have their shares adjusted accordingly.

Benefits are payable regardless of the amount of time that the deceased was a member of the HAZ PLAN. A surviving spouse is eligible for a benefit regardless of the length of the marriage and the benefit will not cease upon remarriage.

Survivor Benefits for Former or Retired HAZ PLAN Members

Former Members

If you terminated employment prior to becoming eligible for retirement and had at least 12 years of service credit in the HAZ PLAN, your surviving spouse will receive a benefit of 50 percent of the monthly benefit that would have been payable to you.

If you do not have a surviving spouse, your surviving minor child/children will receive the same benefit that applies to survivors of Regular Members hired on or after January 1, 2011.

Retired Members

If you die after your retirement, your surviving spouse will receive 75 percent of your monthly retirement benefit. If you do not have a surviving spouse, your surviving minor child/children will receive the same benefit that applies to survivors of Regular Members hired on or after January 1, 2011.

A surviving spouse is eligible for a benefit regardless of the length of the marriage and the benefit will not cease upon remarriage.

Because your benefits are directed to survivors by statute, you will not select a retirement option as a Regular Member would.

LASERS

Contact Information

Location: 8401 United Plaza Blvd. • Baton Rouge, LA 70809

Mail: P.O. Box 44213 • Baton Rouge, LA 70804-4213

Phone: (toll-free) 800.256.3000 • (local) 225.922.0600

Web: www.lasersonline.org

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