

# HOUSE RESOLUTION 143 TASK FORCE MEETING

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*July 30, 2025*

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Louisiana Board of Regents

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# I. Call to Order



## II. Roll Call



# **III. Task Force Members Introduction**



# Task Force Membership

## 20 total members

- Four participants appointed by the system presidents representing the University of Louisiana, Southern University, Louisiana Community and Technical College and Louisiana State University systems including one of each:
  - Human Resources Officer
  - Chief Financial Officer
  - Academic Affairs Representative
  - Faculty Representative
- One participant each representing the Board of Regents and the Teachers' Retirement System of Louisiana (TRSL)
- Chief Executive Officer of the Office of Group Benefits
- Actuary for the Louisiana Legislative Auditor serves as an ex-officio member



## **IV. Overview of House Resolution 143, 2025 Regular Legislative Session**



# HR 143 Overview

**Purpose:** Establish a task force to study a phased retirement program for Louisiana's public postsecondary education institutions.

**Background:** HR169 of the 2024 Regular Legislative Session (RLS) addressed recruitment and retention issues related to retirement options resulting in HB24 of the 2025 RLS.

- Retention and recruitment of faculty/staff
- Transfer of institutional knowledge
- Continued discussion on comparison of defined benefit vs defined contribution plans

Written report of findings and recommendations due to House Committee on Retirement no later than **12/31/2025**.



# Task Force Responsibilities

Examine aspects of phased retirement, including:

- 1) Challenges and benefits of a phased retirement program
- 2) Structure of phased retirement programs in other states
- 3) Potential cost of implementing a phased retirement plan in Louisiana
- 4) Potential eligibility requirements of a phased retirement program
- 5) Time-period for implementation of potential phased retirement program
- 6) Salary and retirement benefits to be received during phased retirement
- 7) Potential of providing additional lifetime income
- 8) Impact of increasing employer rate from 6.2% to 8% for ORP contributions
- 9) Shifting payment of TRSL admin fee from ORP members to employer
- 10) Potential cost of providing greater pay out by using accrued leave to enhance a participant's benefit





# **V. Election of Task Force Chair**



# VI. Overview of Phased Retirement Plans

*Phased (aka modified or planned) retirement program is a work arrangement where eligible faculty members transition gradually from full-time work to retirement by reducing their work hours while receiving a portion of their retirement benefits.*

A Phased Retirement Program may look like:

- Eligibility: Typically based on age (60-65+) and years of service at the university
- Duration: Commonly 1-5 years
- Workload: Often capped at 50% of full-time
- Benefits: Continued access to health insurance and retirement contributions are common.
- Salary: Can be based on a percentage of the base salary or proportional to workload.
- Retirement Terms: Contractual agreement where participants sign a binding agreement to retire at the end of the phased period.



# VI. Overview of Phased Retirement Plans

## Phased Retirement Plans:

### Federal Government

### State Governments and Higher Education systems

- Alabama, Florida, Illinois (agency-specific), Iowa, Kansas, Maryland, Massachusetts, Minnesota, Missouri, New York, Utah, Virginia, Washington, Wisconsin

### State Governments (Higher Education systems not included)

- California, Hawaii



# VI. Overview of Phased Retirement Plans

## Higher Education Systems/Institutions (limited examples)

- AZ: University of Arizona
- CA: Santa Clara University
- CT: Yale University
- DC: Georgetown University
- ID: Boise State University, University of Idaho
- IN: Indiana University (not system-wide), Ball State University
- IL: Northern Illinois University, University of Chicago
- LA: Loyola University
- NJ: Princeton University
- NY: Cornell University, CUNY, SUNY, NYU
- PA: Carnegie Mellon University, Penn State University,
- TX: University of Texas System, Rice University, Stephen F. Austin State University, Texas State University
- WA: Washington State Board Community and Technical Colleges



# Benefits of Phased Retirement

- **Reduced Workload:** Faculty can decrease their teaching, research, or administrative responsibilities over a designated period.
- **Flexible Scheduling:** Employees may have the option to choose their schedules, allowing them to balance work commitment with personal time.
- **Continuation of Benefits:** Many plans allow participants to maintain health insurance and other benefits during the transition period.
- **Mentorship Opportunities:** Experienced faculty can mentor junior staff, ensuring the transfer of knowledge and skills.
- **Financial Security:** Employees maintain a steady income stream, reducing the strain on their retirement savings.



# Challenges of Phased Retirement

- **Lack of Standardization:** Each institution may tailor its phased retirement program based on its needs, budget, and faculty demographics. (No statewide/system oversight)
- **Potential Legal and Policy Issues:** Phased retirement programs must comply with labor laws, anti-discrimination policies, and retirement plan regulations.



## **VII. Discussion of Action Steps**



# VIII. Future Meeting Dates

**Board of Regents Conference Room, 10:00 am – 12:00 pm**

Wednesday, August 27, 2025

Wednesday, September 17, 2025

Wednesday, October 15, 2025

Wednesday, November 12, 2025

## **Next Meeting Discussion Items:**

- Detailed Comparison of Phased Retirement Programs
- Presentation by Loyola University
- Presentation by other university offering Phased Retirement Programs
- Actuary Scenarios
- Fiscal Impacts





## **IX. Other Business**



# X. Adjournment

