DECLARATION OF EMERGENCY

Department of Treasury
Deferred Compensation Commission

Administration and Distributions (LAC 32:VII.701, 707 and 711)

The Louisiana Deferred Compensation Commission has exercised the emergency provision in accordance with the Administrative Procedure Act, R.S. 49:962 and pursuant to the authority set forth in R.S. 42:1303, to amend LAC 32:VII.701, 707 and 711 regarding qualified birth and adoption distributions, required minimum distributions, the age at which participants may make in-service distributions, and repayment of certain loans to qualified participants. This Emergency Rule is necessary to allow plan participants who qualify for the relief provided by the Setting Every Community Up for Retirement Enhancement (“SECURE”) Act (effective December 20, 2019) and the Coronavirus Aid, Relief, and Economic Security (“CARES”) Act (effective March 27, 2020).

The Louisiana Deferred Compensation Commission hereby finds that the following circumstances constitute immediate peril to the public health, safety, or welfare (R.S. 49:953.1(A)(1)(a)): Due to public health threat created by COVID-19, on January 31, 2020, Secretary of Health and Human Services Alex M. Azar II determined that a public health emergency continually exists and had existed since January 27, 2020. Additionally, Governor John Bel Edwards declared a public health emergency in the State of Louisiana (Proclamation No. JBE 2020-25) on March 11, 2020. Subsequently, on March 13, 2020, President Donald J. Trump declared a national emergency related to COVID-19. Finally, Xavier Becerra, the current Secretary of Health and Human Services, renewed the determination of a public health emergency made by former Secretary Alex M. Azar II and himself on July 15, 2022. As of August 15, 2022, 1,400,265 cases of COVID-19 have been confirmed in Louisiana, resulting in 17,699 deaths. The economic impact to individuals in Louisiana, including plan participants has also been devastating. Many businesses and governmental entities have been forced to furlough or lay off employees, resulting in even greater financial hardship. The COVID-19 pandemic has caused an immediate threat to the public health, safety, and welfare of many participants in the Louisiana Deferred Compensation Plan. Moreover, the Louisiana Deferred Compensation Commission must adopt the following emergency rule in order to comply with both the SECURE and CARES Act; and thus, avoid penalties from the United States (La. R.S. 49:953.1(A)(1)(b)).

In order to provide relief to those plan participants who have been adversely affected by the COVID-19 pandemic, the following emergency rule is necessary so that qualifying plan participants may take advantage of the relief provided in the SECURE Act and CARES Act.

This Emergency Rule was adopted on August 16, 2022, and shall be effective on August 16, 2022. This Emergency Rule shall remain in effect for 180 days, unless renewed by the Louisiana Deferred Compensation Commission, or until permanent rules are promulgated in accordance with the law.
AUTHORITY NOTE: Promulgated in accordance with R.S. 42:1301-1308 and IRC §457.


Virgina Burton
Chairwoman