

**2010 Louisiana Legislative Regular Session
RSEA LEGISLATIVE REPORT**

RSEA <u>Position</u>	<u>Bill Description</u>
Oppose	HB 69 by Representative Ligi and others Proposed constitutional amendment which provides for the forfeiture of retirement benefits by any person who is a member of a public retirement system and who has been convicted of a felony related to his office. Authorizes the legislature to apply the forfeited benefits toward the system's unfunded accrued liability. Final Status: Failed
Neutral	HB 71 by Representative Labruzzo Relative to LASERS, provides for an increase in retirement benefits for certain early retirees employed in a federally declared disaster area following Hurricane Katrina or Rita, subject to certain restrictions. Final Status: Failed
Oppose	HB 72 by Representative Labruzzo Provides for the forfeiture of retirement benefits by any public servant convicted of a state or federal felony related to his office. Final Status: Failed
Oppose	HB 73 by Representative Ligi and others Companion bill to HB 69. Provides for the forfeiture of public retirement benefits by any public servant convicted of a state or federal felony related to his office. Proposed law does not apply to any defined contribution plan nor to any survivor benefits payable to a surviving unmarried spouse, minor children or physically or mentally handicapped children. Final Status: Failed
Support	HB 96 by Representative Richard Creates the special prestige license plate to be known as "State Employee Retired" license plate. Provides for the design of the license plate and an initial fee of twenty-five dollars in addition to the regular motor vehicle license fee. Final Status: Passed – Act 89
Oppose	HB 143 by Representative Labruzzo Proposed constitutional amendment which provides for forfeiture of public retirement benefits by any person who is convicted of a felony associated with his service in any public office or position. Final Status: Failed

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RSEA Position	Bill Description
Neutral	HB 189 by Representative Richard and Senator Kostelka Provides for early retirement of members of LASERS who have attained age 50 and have at least 10 years of service credit. Requires an actuarial reduction of benefits for such members. Also requires that positions in state government vacated by such members be abolished and shall not be reestablished or filled except in accordance with procedures in proposed law. Final Status: Vetoed by Governor Jindal—July 2, 2010.
Oppose	HB 224 by Representative Pearson Provides for the suspension of public retirement benefits by any public servant while incarcerated as a result of a crime committed on or after the effective date of proposed law. Requires such person to pay back any funds to the retirement system that he has received in excess of what proposed law allows. Final Status: Failed
Support	HB 225 by Representative Labruzzo Relative to LASERS; allows a trust established for the benefit of a child to be named as the beneficiary for purposes of retirement benefits. Final Status: Became HB 1460---Passed Act 951.
Oppose	HB 228 by Representative Pearson Proposed constitutional amendment which authorizes the legislature to provide for the suspension of payment of retirement benefits to any person who is a member of a public retirement system, plan, or fund in La. and who is incarcerated. Final Status: Failed
Support	HB 229 by Representative Pearson Proposed Constitutional Amendment which provides that any benefit provision for members of La. public retirement systems shall not be approved except by legislative enactment by 2/3 vote of the elected members of each house of the legislature if the benefit provision has an actuarial cost. Final Status: Passed – Will appear on November 2, 2010 ballot (Act 1048)
Neutral	HB 329 by Representative Pearson Proposed constitutional amendment which prohibits part-time elected or appointed officials who were grandfathered into public retirement systems on January 1, 1997, from becoming members of such retirement systems on or after January 1, 2011, unless such persons were serving in part-time elected or appointed positions on December 31, 2010. Final Status: Failed

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RSEA Position	<u>Bill Description</u>
Neutral	HB 330 by Representative Pearson Relative to public retirement systems, prohibits part-time elected or appointed officials who were grandfathered into public retirement systems on January 1, 1997 from becoming members of such retirement systems on or after January 1, 2011, unless such persons were serving in part-time elected or appointed positions on December 31, 2010. Defines “part-time” officials as 1) legislators, school board, levee board, police jury and parish council members; 2) city council, city-parish council or town council members, aldermen and constables and 3) members of boards or commissions. Final Status: Failed
Oppose	HB 392 by Representative Hardy Requires the suspension of benefits for reemployed retirees of state and statewide systems who retire on or after July 1, 2010, and prohibits the accrual of additional benefits during such period. Final Status: Failed
Support	HB 453 by Representative Robideaux Establishes the Hazardous Duty Services Plan for certain members of LASERS who are law enforcement personnel hired on or after January 1, 2011. Final Status: Incorporated into HB 1337---Signed/Passed Act 992.
Oppose	HB 516 by Representative Arnold Removes a termination date on requirement that the LASERS, TRSL, School Employees Retirement and State Police Pension & Retirement systems direct 10% of commissions on certain domestic equity trades and 10% of certain fixed-income trades through certain La. broker-dealers. Final Status: Failed
Support	HB 517 by Representative Robideaux Clarifies that the sergeant at arms of the La House of Representatives and Senate shall make 9.5% employee contributions to LASERS. Final Status: Passed – Act 94
Support	HB 518 by Representative Robideaux Clarifies the definition of “accumulated contributions” to include all amounts paid by a member and credited to the LASERS trust. Excludes interest paid by a member when repaying a refund. Final status: Passed – Act 95
Oppose	HB 662 by Representative Pope Permits a former member of the La School Employees’ Retirement System (LSERS) who transferred to either the Teachers Retirement System or LASERS, to transfer his service credit back to LSERS and regain membership therein. Final Status: Failed

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**RSEA
Position**

Bill Description

Support

HB 746 by Representative Robideaux

Relative to early retirement, provides for different method for calculating benefits depending upon whether or not the retiree was in service at the time of his retirement. Provides that for a person who is in state service at the time of retirement, his benefit shall be reduced from the earliest age though he would normally become eligible for regular retirement as that he had continued working to that age. For a person out of state service at the time of retirement, the years of service he has accrued at the time of retirement shall be used to determine the earliest age that he would normally become eligible for regular retirement.

Final Status: Passed – Act 99

Neutral

HB 748 by Representative Pearson

Relative to LASERS, requires each employer to pay individualized normal cost payments and amortization payments depending on which plans within the system its employees fall into. Requires, for accounting purposes, that each plan shall be allocated system assets in proportion to the accrued liability of each plan existing on June 30, 2010. Beginning with FY 2010-2011 and thereafter, each plan shall be allocated investment gains and losses in proportion to its individual assets.

Final Status: Passed—Act 1026.

Oppose

HB 784 by Representative St. Germain

Establishes the Fire Marshal's Retirement plan for certain personnel employed by the office of the fire marshal on or after January 1, 2011.

Final Status: Failed

Oppose

HB 930 by Representative Tucker

Establishes a defined contribution plan for members of plans who are hired on or after January 1, 2011.

Final Status: Failed

Oppose

HB 931 by Representative Tucker

Proposed constitutional amendment which permits the legislature to establish a defined contribution plan for members of state retirement systems hired on or after January 1, 2011.

Final Status: Failed

Neutral

HB 958 by Representative Ligi and Senator Appel

Relative to members of public retirement systems hired on or after July 1, 2010, increases the Final Average Compensation (FAC) period used to calculate benefits to the average of the highest 10 years of earnings. Provides for anti-spiking during those 10 years of employment, whereby the earnings during any year in such period shall not increase by more than 10%.

Final Status: Failed

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<u>RSEA</u>	<u>Position</u>	<u>Bill Description</u>
	Neutral	HB 1103 by Representative Tucker For members hired on or after July 1, 2010, changes the benefit structure and employee contribution rates for the four state retirement systems; LASERS, TRSL, LSPRS (State Police) and LSERS (School Employees). Final Status: Failed
	Support	HB 1142 by Representative Robideaux Relative to LASERS, brings existing plan provisions into conformity and compliance with provisions of the U.S. Internal Revenue Code. Final Status: Passed – Act 102
	Oppose	HB 1229 by Representative Tucker Creates the State Retirement System Investment Commission to control the investments of the four state retirement systems; LASERS, TRSL, LSERS and LSPRS. Commission shall consist of 9 members. Final Status: Failed
	Support	House Bill 1337 by Representative Robideaux For members hired on or after January 1, 2011, the bill makes substantial changes to the benefit structure and employee contribution rates for LASERS, Teachers, School Employees and State Police retirement systems. Final Status: Passed ---Act 992.
	Support	HB 1460 by Representative Labruzzo Relative to LASERS; allows a trust established for the benefit of a child to be named as the beneficiary for purposes of retirement benefits. Final Status: Passed--- Act 951.
	Oppose	SB 11 by Senator Appel and Representative Ligi Proposed constitutional amendment to provide for the forfeiture of retirement benefits by any person who is a member of a public retirement system and who has been convicted of a felony related to his office. Authorizes legislature to apply the forfeited benefits toward the system’s unfunded accrued liability. Final Status: Failed
	Oppose	SB 12 by Senator Appel and Representative Ligi Provides for the forfeiture of retirement benefits by any public servant (hired on or after the effective date of proposed law) convicted of certain crimes related to the holding of office (public corruption crimes). Final Status: Failed

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RSEA <u>Position</u> Support	<u>Bill Description</u> SB 13 by Senator Butch Gautreaux Provides that the pension or retirement benefit of an elected official or former elected official payable from any public retirement or pension system, plan or fund may be subject to seizure or garnishment for payment of any restitution or fine imposed upon conviction of or a plea of guilty or nolo contendere to a felony associated with the elected official's service for which such retirement benefit was earned or accrued. Final Status: Passed---Act 634.
Oppose	SB 14 by Senator Appel Proposed law allows a reemployed LASERS retiree who previously named a prior spouse as beneficiary upon retiring initially to designate his current spouse as beneficiary for the purposes or any supplemental benefits that accrued after his reemployment, but only to the extent that such supplemental benefit did not accrue during his marriage to his previous spouse. Final Status: Failed
Neutral	SB 58 by Senator Butch Gautreaux Provides that any member of LASERS who has credit in the system for at least five years of service and has attained the age at which the member would be eligible to retire but who lacks five years or less of service credit to become eligible to retire shall be eligible to purchase up to five years of service credit in one year increments for purposes of attaining eligibility for retirement and calculation of benefits. Provides that any member shall apply to the system for such credit on or before August 31, 2010 and pay to the system by December 31, 2010, the greater of the amount calculated in accordance with the actuarial cost provisions of present law or the employee and employer contributions plus interest based on the member's current salary, which totally offsets the increase in accrued liability of the system resulting from the receipt of credit by the members. The amount shall be paid in one lump sum and no service credit shall be given to the member until the amount is paid in full. Final Status: Failed
Neutral	SB 134 by Senator Butch Gautreaux Relative to the Public Retirement Systems' Actuarial Committee (PRSAC). Moves PRSAC from Dept. of the Treasury to the legislature. Current law requires PRSAC to report findings and recommendations to the Joint Leg. Retirement Committee. Proposed law changes reporting to the House and Senate Retirement Committees and the Joint Legislative Budget Committee. Changes PRSAC mtgs from quarterly to as necessary. Final Status: Passed---Act 874.
Neutral	SB 594 by Senators Butch Gautreaux and Appel Relative to public retirement systems' investments and to provide relative to the prudent-man rule, investment authority and restrictions and asset allocations. Final Status: Passed---Act 1004.

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**RSEA
Position**

Bill Description

Oppose

SB 602 by Senator Butch Gautreaux

Provides that no member who has less than ten years of creditable service on July 1, 2010 in LASERS, TRSL or LSERS shall be permitted to participate in DROP. Requires that any cost of proposed law be funded with additional employer contributions.

Final Status: Failed

**Support
W/Changes**

SB 632 by Senators Butch Gautreaux and Nevers and Representative Robideaux

Relative to LASERS, LSERS, LSPRS and TRSL, regarding the provision of a regular schedule for permanent benefit increases for retirees. Proposed law, applicable to persons who are retired from these systems on June 30, 2010, generally provides for a 2% benefit increase for eligible retirees in every odd-numbered year beginning in 2017. Provides that an eligible retiree is one who: 1) has been separated from service and receiving a benefit for one year and 2) has attained the age of 62. Provides for additional employee contributions of 2% pay for each active member of these systems, beginning January 1, 2011. Provides generally that a person who retires from one of the systems on or after July 1, 2010, if he is otherwise eligible on the date the benefit increase is effective, shall receive a 2% benefit increase in every odd-numbered year beginning in 2021. Provides that an eligible retiree is one who: 1) has been separated from service and receiving a benefit for one year and 2) has attained the age of 65.

Final Status: Failed

House Concurrent Study Request 8 by Representative Tucker

This instrument requests the House and Senate committees on retirement to jointly study issues related to board membership and system investments.

Final Status: Adopted

Senate Concurrent Study Request 4 by Senator Butch Gautreaux and Representatives Pearson and Robideaux

This instrument requests the House and Senate Retirement Committees to jointly study the appropriate manner in which to provide for regular and dependable permanent benefit increases for retirees of the state retirement systems.

Final Status: Adopted