

House Committee on Retirement

Minutes of Meeting
2012 Regular Session
April 19, 2012

I. CALL TO ORDER

Representative Pearson, chairman of the House Committee on Retirement, called the meeting to order at 12:12 p.m. in Committee Room 4, in the State Capitol in Baton Rouge, Louisiana. The secretary called the roll.

II. ROLL CALL

MEMBERS PRESENT:

Representative J. Kevin Pearson, Chairman
Representative Nick Lorusso, Vice Chairman
Representative Frank A. Hoffmann
Representative Paul B. Hollis
Representative Sam Jones
Representative Anthony "Tony" V. Ligi
Representative Jack Montoucet
Representative Edward J. Price
Representative Eugene "Gene" Reynolds
Representative Alan Seabaugh
Representative Kirk Talbot
Representative Jeff R. Thompson

MEMBERS ABSENT:

STAFF MEMBERS PRESENT:

Ms. Stephanie Little, Committee Attorney
Ms. Malerie Cacibauda, Committee Secretary
Mr. Brian Vincent, Division Director
Mr. Jonathan Nunley, Clerk
Mr. Danny Leming, Sergeant at Arms
Ms. Joyce Anthony, Sergeant at Arms

III. DISCUSSION

House Bill No. 1030 by Representative Talbot

House Bill No. 1030 prohibits members of the Louisiana School Employees' Retirement System from remaining in that system after taking a job that is covered by a different retirement system.

A copy of the witness cards in opposition to and to provide information for the bill is attached. (See Exhibit A)

Representative Pearson announced that the bill was voluntarily deferred.

House Bill No. 1064 by Representative Hoffmann

Representative Hoffmann presented House Bill No. 1064, which provides relative to the District Attorneys' Retirement System.

Representatives Jones, Pearson, and Montoucet asked questions and discussed the merits of the bill.

Mr. E. Pete Adams, representing the District Attorneys' Retirement System (no information provided), spoke in favor of the bill.

Representative Hoffmann offered a motion to report House Bill No. 1064 favorably, to which there was no objection. House Bill No. 1064 was reported favorably by a vote of 9 yeas and 0 nays. Representatives Hoffmann, Hollis, Jones, Lorusso, Montoucet, Pearson, Price, Reynolds, and Thompson voted yea.

House Bill No. 58 by Representative Pearson

Mr. E. Pete Adams, District Attorneys' Retirement System, presented an amendment to House Bill No. 58 in the form of a substitute bill, which provides relative to the District Attorneys' Retirement System.

Mr. E. Pete Adams, representing the District Attorneys' Retirement System (no information provided) and Mr. Robert C. Schmidt, representing the District Attorneys' Retirement System, 450 Laurel St., Ste. 1900, Baton Rouge, LA 70801, (225) 378-3226, spoke in favor of the bill.

Representative Pearson offered a motion to report House Bill No. 58 by substitute, to which there was no objection. House Bill No. 58 was reported by substitute by a vote of 9 yeas and 0 nays. Representatives Hoffmann, Hollis, Jones, Lorusso, Montoucet, Pearson, Price, Reynolds, and Thompson voted yea.

House Bill No. 1048 by Representative Pope

Representative Pope presented House Bill No. 1048, which provides for the maintenance of tax qualification status for the Teachers' Retirement System of Louisiana.

A copy of the witness cards to provide information for the bill is attached. (See Exhibit B)

Representative Lorusso offered a motion to report House Bill No. 1048 favorably, to which there was no objection. House Bill No. 1048 was reported favorably by a vote of 11 yeas and 0 nays. Representatives Hoffmann, Hollis, Jones, Lorusso, Montoucet, Pearson, Price, Reynolds, Seabaugh, Talbot, and Thompson voted yea.

House Bill No. 1050 by Representative Ritchie

Representative Ritchie presented House Bill No. 1050, which provides for tax qualification status of the Municipal Police Employees' Retirement System.

Mr. Randy Roche, representing the Municipal Police Employees' Retirement System of Louisiana, 7722 Office Park Blvd., Baton Rouge, LA 70809, (225) 933-2727, spoke in favor of the bill.

Representative Lorusso asked questions and discussed the merits of the bill.

Representative Lorusso offered a motion to report House Bill No. 1050 favorably, to which there was no objection. House Bill No. 1050 was reported favorably by a vote of 11 yeas and 0 nays. Representatives Hoffmann, Hollis, Jones, Lorusso, Montoucet, Pearson, Price, Reynolds, Seabaugh, Talbot, and Thompson voted yea.

House Bill No. 986 by Representative Hazel

Mr. Steven Stockstill, Firefighters' Retirement System, presented House Bill No. 986 for Representative Hazel. The bill provides for the distribution of benefits from the Firefighters' Retirement System to a trust for a child.

Mr. Steven Stockstill, Firefighters' Retirement System (no card provided), spoke in favor of the bill.

A copy of the witness cards in support of the bill are attached. (See Exhibit C)

Representative Pearson asked questions and discussed the merits of the bill.

Representative Montoucet offered a motion to report House Bill No. 986 favorably, to which there was no objection. House Bill No. 986 was reported favorably by a vote of 11 yeas and 0 nays. Representatives Hoffmann, Hollis, Jones, Lorusso, Montoucet, Pearson, Price, Reynolds, Seabaugh, Talbot, and Thompson voted yea.

House Bill No. 38 by Representative Jones

Ms. Stephanie Little, committee attorney, explained that Representative Jones wanted to offer a new set of amendments that would replace the amendments adopted by the committee on House Bill No. 38 at the meeting held on March 29, 2012.

Representative Price offered a motion to reconsider the vote by which a set of amendments was adopted during the House Committee on Retirement's meeting held on March 29, 2012, to which there was no objection. The motion to reconsider the vote was adopted by a vote of 11 yeas and 0 nays. Representatives Hoffmann, Hollis, Jones, Lorusso, Montoucet, Pearson, Price, Reynolds, Seabaugh, Talbot, and Thompson voted yea.

Representative Montoucet offered a set of amendments to require that the employee identify the retirement systems from which he is receiving benefits and that the employing agency notify its

retirement system of receipt of such benefits, to provide that such notice from the employing agency triggers the system-to-system notification otherwise required by proposed law, and to provide that application of proposed law shall not be considered a violation of any trustee's fiduciary duty. Representative Montoucet offered a motion to adopt the amendments, to which there was no objection. The amendments were adopted by a vote of 11 yeas and 0 nays. Representatives Hoffmann, Hollis, Jones, Lorusso, Montoucet, Pearson, Price, Reynolds, Seabaugh, Talbot, and Thompson voted yeas.

Ms. Maris LeBlanc, representing the Louisiana State Employees' Retirement System, 8401 United Plaza Blvd., Baton Rouge, LA 70809, (225) 922-2644, spoke to provide information on the bill.

A copy of the witness cards to provide information for the bill is attached. (See Exhibit D)

Representative Montoucet asked questions and discussed the merits of the bill.

Representative Montoucet offered a motion to report House Bill No. 38 with amendments, to which there was no objection. House Bill No. 38 was reported with amendments by a vote of 9 yeas and 0 nays. Representatives Hoffmann, Hollis, Jones, Lorusso, Montoucet, Pearson, Reynolds, Seabaugh, and Thompson voted yeas.

House Bill No. 9 by Representative Ligi

Representative Ligi presented House Bill No. 9, a constitutional amendment, which authorizes the legislature to provide for forfeiture of retirement benefits by public officials and employees who are convicted of felony acts associated with their positions.

Representative Ligi offered an amendment to provide that forfeiture will apply only to persons employed, re-employed, or elected on or after Jan. 1, 2013, and to provide that forfeiture will apply only to benefits earned on or after Jan. 1, 2013. Representative Ligi offered a motion to adopt the amendment, to which there was no objection. The amendment was adopted by a vote of 11 yeas and 0 nays. Representatives Hoffmann, Hollis, Jones, Ligi, Lorusso, Montoucet, Pearson, Reynolds, Seabaugh, Talbot, and Thompson voted yeas.

Representatives Pearson, Jones, Ligi, Talbot, and Thompson asked questions and discussed the merits of the bill.

Mr. Skip McGee, representing the Louisiana Sheriffs' Pension Fund, 1225 Nicholson Dr., Baton Rouge, LA 70802, (225) 219-0500, and Mr. Michael Rantaza, representing the Louisiana Sheriffs' Association, 801 North Blvd., Ste. 120, Baton Rouge, LA 70802, (225) 343-8402, spoke in support of the bill.

Mr. Chad Major, Professional Fire Fighters Association of Louisiana, 8011 Merle Gustafson Dr., Baton Rouge, LA 70807, cell: (225) 572-8483; Mr. Nick Felton, New Orleans Fire Fighters, 3520 General DeGaulle Dr., New Orleans, LA 70114, (504) 366-8564; and Ms. Mary-Patricia Wray, representing the Louisiana Federation of Teachers, 9623 Brookline Ave., Baton Rouge, LA 70809, spoke in opposition to the bill.

A copy of the witness cards in support of, in opposition to, and to provide information for the bill is attached. (See Exhibit E)

Representative Thompson offered a motion to report House Bill No. 9 with amendments, to which there was no objection. House Bill No. 9 was reported with amendments by a vote of 12 yeas and 0 nays. Representatives Hoffmann, Hollis, Jones, Ligi, Lorusso, Montoucet, Pearson, Price, Reynolds, Seabaugh, Talbot, and Thompson voted yea.

House Bill No. 10 by Representative Ligi

Representative Ligi presented House Bill No. 10, which requires forfeiture of retirement benefits by any public employee or elected official who is a member of a public retirement system and is convicted of certain state or federal felony acts associated with his office.

Representative Ligi offered a set of amendments to do the following:

- (1) To change the definition of "public corruption crime" from a list of specific statutes to a felony where the public servant acted willingly and in the course and scope of his public office to realize financial gain or to commit a criminal sexual act with or upon the person of a minor.
- (2) To remove provisions relative to automatic forfeiture and calculation of benefits, provisions relative to death and survivor benefits, provisions relative to applicability to defined contribution plans, and provisions relative to court-ordered restitution.
- (3) To allow a court to order forfeiture of retirement benefits except employee contributions and to provide factors for the court to consider.
- (4) To allow a court to order restitution for monetary loss incurred as a result of the public corruption crime from the public servant's employee contributions.
- (5) To allow a court to assign some or all of the forfeited benefits to the public servant's spouse, former spouse, or dependent; to provide factors for the court to consider when making such an assignment; and to provide that unassigned service credit attributable to employer contributions and interest shall be applied to reducing the balance of the system's unfunded accrued liability.
- (6) To provide that survivor benefits shall be based on amounts forfeited and not on amounts remitted to the public servant.

Representative Ligi offered a motion to adopt the amendments, to which there was no objection. The amendments were adopted by a vote of 12 yeas and 0 nays. Representatives Hoffmann, Hollis, Jones, Ligi, Lorusso, Montoucet, Pearson, Price, Reynolds, Seabaugh, Talbot, and Thompson voted yea.

Representatives Hoffmann, Ligi, and Jones asked questions and discussed the merits of the bill.

Mr. Skip McGee, representing the Louisiana Sheriffs' Pension Fund, 1225 Nicholson Dr., Baton Rouge, LA 70802, (225) 219-0500, spoke in favor of the bill.

Mr. Steve Monaghan, representing the Louisiana Federation of Teachers/AFT, 9623 Brookline Ave., Baton Rouge, LA 70809, (225) 923-1037; Mr. Chad Major, Professional Fire Fighters Association of Louisiana, 8011 Merle Gustafson Dr., Baton Rouge, LA 70807, cell: (225) 572-8483; Mr. Nick Felton, New Orleans Fire Fighters, 3520 General DeGaulle Dr., New Orleans, LA 70114, (504) 366-8564; Ms. Mary-Patricia Wray, representing the Louisiana Federation of Teachers, 9623 Brookline Ave., Baton Rouge, LA 70809; and Mr. Bob Rust, representing the Municipal Employees' Retirement System of Louisiana, 7937 Office Park Blvd., Baton Rouge, LA 70809, (225) 925-4810; spoke in opposition to the bill.

A copy of the witness cards in support of, in opposition to, and to provide information for the bill is attached. (See Exhibit F)

Representative Ligi offered a motion to report House Bill No. 10 with amendments, to which there was no objection. House Bill No. 10 was reported with amendments by a vote of 12 yeas and 0 nays. Representatives Hoffmann, Hollis, Jones, Ligi, Lorusso, Montoucet, Pearson, Price, Reynolds, Seabaugh, Talbot, and Thompson voted yea.

House Bill No. 1004 by Representative Talbot

Representative Talbot presented House Bill No. 1004, which provides for the ability of certain members of the Teachers' Retirement System of Louisiana to change their election to enter the Deferred Retirement Option Plan.

Representatives Pearson and Lorusso asked questions and discussed the merits of the bill.

Ms. Maureen H. Westgard, representing the Teachers' Retirement System of Louisiana, 8401 United Plaza Blvd./P.O. Box 94123, Baton Rouge, LA 70804, (225) 925-6454; Ms. Shelley Johnson, P.O. Box 1157 (remainder of address not provided), (225) 272-7339; and Mr. Russell H. Van Norman, Jr., and Ms. Carolyn Van Norman, 1917 Charlotte Dr., River Ridge, LA 70123, (504) 738-1948; spoke to provide information on the bill.

A copy of the witness cards in opposition to the bill is attached. (See Exhibit G)

After a lengthy discussion, no motion for action on the bill was offered.

IV. OTHER BUSINESS

There was no other business for discussion.

V. ANNOUNCEMENTS

There were no announcements.

VI. ADJOURNMENT

The meeting was adjourned at 2:58 p.m.

Respectfully submitted,

J. Kevin Pearson, Chairman

Date approved: _____

/mcc