

## House Committee on Retirement

Minutes of Meeting  
2012 Regular Session  
May 23, 2012

### I. CALL TO ORDER

Representative J. Kevin Pearson, chairman of the House Committee on Retirement, called the meeting to order at 9:40 a.m. in Committee Room 5, 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 Jeff R. Thompson

#### MEMBERS ABSENT:

Representative Kirk Talbot

#### STAFF MEMBERS PRESENT:

Ms. Stephanie Little, Committee Attorney  
Ms. Malerie Cacibauda, Committee Secretary  
Mr. Bryan Vincent, Division Director  
Ms. Trinesha Wade, Clerk  
Ms. Joyce Anthony, Sergeant at Arms  
Ms. Beverly Vincent, Sergeant at Arms  
Ms. Susan Broussard, Sergeant at Arms

### III. DISCUSSION

#### **Senate Bill No. 50 by Senator Guillory**

Senator Guillory, along with Mr. Osey McGee, Jr., Louisiana Sheriffs' Pension and Relief Fund, and Mr. Michael Renatza, Louisiana Sheriffs' Association, presented Senate Bill No. 50, which provides for permanent benefit increases for retirees of the Sheriffs' Pension and Relief Fund.

Mr. Osey McGee, Jr., representing the Louisiana Sheriffs' Pension and Relief Fund, 1225 Nicholson Dr., Baton Rouge, LA 70802, (225) 219-0500, and Mr. Michael Ranatza, representing the Louisiana Sheriffs' Association, 1175 Nicholson Dr., Baton Rouge, LA 70802, (225) 343-8402, spoke in favor of the bill.

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

Representative Jones offered a motion to report Senate Bill No. 50 favorably, to which there was no objection. Senate Bill No. 50 was reported favorably by a vote of 10 yeas and 0 nays. Representatives Hoffmann, Hollis, Jones, Ligi, Lorusso, Montoucet, Pearson, Price, Reynolds, and Thompson voted yea.

#### **Senate Bill No. 52 by Senator Guillory**

Senator Guillory presented Senate Bill No. 52, which increases the employee contribution rate for certain members of the Louisiana State Employees' Retirement System and the Teachers' Retirement System of Louisiana.

A copy of witness cards of persons in support of and in opposition to the bill but not wishing to speak is attached. (See Exhibit A)

Ms. Liz Murrill, representing the Office of the Governor, (225) 342-8212, (no additional information provided); Ms. Kristy Nichols, representing the Office of the Governor, Louisiana State Capitol, (225) 342-5632, (no additional information provided); and Ms. Rina Thomas, representing the Office of the Governor, (no additional information provided); spoke in favor of the bill.

Ms. Gayle Joseph, representing the Retired State Employees' Association, 6346 Belle Grove Dr., Baton Rouge, LA 70820, (225) 767-2597; Ms. Mary-Patricia Wray, representing the Louisiana Federation of Teachers, 9623 Brooklove Ave., Baton Rouge, LA 70808, (no phone number provided); Mr. Neil Carpenter, 198 Alello Dr., Baton Rouge, LA 70806, (225) 926-5478; and Mr. Frank L. Jobert, Jr., representing the Retired State Employees Association, 9412 Common St., Ste. 7, Baton Rouge, LA 70809, (225) 930-0961; spoke in opposition to the bill.

Mr. Roy Mongrue, representing the Teachers' Retirement System of Louisiana, 8401 United Plaza Blvd., Baton Rouge, LA, (225) 925-1829; Ms. Maureen H. Westgard, representing the Teachers' Retirement System of Louisiana, 8401 United Plaza Blvd., Baton Rouge, LA, (225) 925-6454; Ms. Cindy Rougeou, representing the Louisiana State Employees' Retirement System, 8401 United Plaza Blvd., Baton Rouge, LA 70809, (225) 922-0604; and Mr. Steven Procopio, representing the Division

of Administration, 1201 N. Third St., Baton Rouge, LA 70802, (225) 342-7000; spoke to provide information for the bill.

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

Representative Pearson offered a set of amendments to change from June 30, 2013, to September 30, 2012, the date by which a legal challenge must be instituted in order to trigger the delayed implementation of proposed law and to require the Public Retirement Systems' Actuarial Committee to approve such delay; to remove the exception to proposed law for employees based on the average of the actuarially required payment for the unfunded accrued liability for the previous four fiscal years; to add an exception to the application of proposed law if a system is at least 80% funded; to change the date after which an increase in pay triggers the rate increase in proposed law from July 2, 2013, to July 1, 2012; and to change the pay increase requirement that triggers the rate increase in proposed law from a merit increase of at least 4% to an increase in base pay of at least 4%. Representative Pearson 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, Ligi, Lorusso, Montoucet, Pearson, Price, Reynolds, Seabaugh, and Thompson voted yea.

Representative Pearson offered a motion to report Senate Bill No. 52 with amendments, to which Representative Jones objected. The secretary called the roll, and Senate Bill No. 52 was reported with amendments by a vote of 10 yeas and 1 nay. Representatives Hoffmann, Hollis, Ligi, Lorusso, Montoucet, Pearson, Price, Reynolds, Seabaugh, and Thompson voted yea; Representative Jones voted nay.

### **Senate Bill No. 6 by Senator Guillory**

Senator Guillory presented Senate Bill No. 6, which requires each school system to report on all employees and positions which have been privatized, outsourced, or otherwise eliminated to the Louisiana School Employees' Retirement System.

Representative Ligi offered a set of amendments to consolidate the administration of the Teachers' Retirement System of Louisiana and the Louisiana School Employees' Retirement System.

Representative Jones offered a substitute motion to table the amendment, to which Representative Ligi objected. The secretary called the roll on the substitute motion, and the motion failed by a vote of 4 yeas and 6 nays. Representatives Jones, Montoucet, Price, and Reynolds voted yea; Representatives Hoffmann, Hollis, Ligi, Lorusso, Pearson, and Seabaugh voted nay.

Due to an absence of a quorum, there was a brief recess from 11:55 a.m. until 12:18 p.m. When the meeting reconvened, the chairman requested that the secretary recall the roll. The roll was recalled, and seven members, Representatives Hoffmann, Hollis, Ligi, Lorusso, Pearson, Seabaugh, and Thompson, and a quorum were present. The discussion resumed.

The secretary called the roll on the original motion by Representative Ligi to adopt the amendments, and the amendments were adopted by a vote of 7 yeas and 0 nays. Representatives Hoffmann, Hollis, Ligi, Lorusso, Pearson, Seabaugh, and Thompson voted yea.

Representative Thompson offered a set of amendments to increase the representation of school employees on the board of trustees and to provide for the election of said representatives to the board; to increase the transition period from 12 months to 18 months; to require that, of the 30 positions required to be eliminated by proposed law, 15 would be eliminated in each half of the 18-month transition period; and to delete the study of merging assets and investment policies of the Teachers' Retirement System of Louisiana and the Louisiana School Employees' Retirement System. Representative Thompson offered a motion to adopt the amendment. There being no objection, the amendments were adopted by a vote of 7 yeas and 0 nays. Representatives Hoffmann, Hollis, Ligi, Lorusso, Pearson, Seabaugh, and Thompson voted yea.

A copy of a witness card of one person in opposition to the bill but not wishing to speak and of one person present to provide information if requested is attached. (See Exhibit B)

Ms. Kristy Nichols, representing the Office of the Governor, Louisiana State Capitol, (225) 342-5632, (no additional information provided), spoke in favor of the bill.

Ms. Mary-Patricia Wray, representing the Louisiana Federation of Teachers, 9623 Brooklove Ave., Baton Rouge, LA 70808, (no phone number provided), spoke in opposition to the bill.

Mr. Warren D. Ponder, representing the Louisiana School Employees' Retirement System, 8660 United Plaza Blvd., Baton Rouge, LA, 70809, (225) 925-6560, and Mr. Charles P. Bujol, representing the Louisiana School Employees' Retirement System, 8660 United Plaza Blvd., Baton Rouge, LA, 70809, (225) 925-6486, spoke to provide information for the bill.

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

Representative Ligi offered a motion to report Senate Bill No. 6 with amendments, to which there was no objection. Senate Bill No. 6 was reported with amendments by a vote of 7 yeas and 0 nays. Representatives Hoffmann, Hollis, Ligi, Lorusso, Pearson, Seabaugh, and Thompson voted yea.

#### **IV. OTHER BUSINESS**

There was no other business for discussion.

#### **V. ANNOUNCEMENTS**

There were no announcements.

**VI. ADJOURNMENT**

The meeting was adjourned at 12:49 p.m.

Respectfully submitted,

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J. Kevin Pearson, Chairman

Date approved: \_\_\_\_\_

/mcc