

## **House Committee on Retirement**

Minutes of Meeting  
2013 Regular Session  
May 15, 2013

### **I. CALL TO ORDER**

Representative J. Kevin Pearson, Chairman of the House Committee on Retirement, called the meeting to order at 9:12 AM in 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 Chair  
Representative Frank A. Hoffmann  
Representative Paul Hollis  
Representative Barry Ivey  
Representative Sam Jones  
Representative Jack Montoucet  
Representative Edward J. Price  
Representative H. Eugene Reynolds  
Representative Alan Seabaugh  
Representative Kirk Talbot  
Representative Jeff R. Thompson

#### **MEMBERS ABSENT:**

#### **STAFF MEMBERS PRESENT:**

Stephanie Little, Attorney  
Malerie Cacibauda, Secretary

#### **ADDITIONAL ATTENDEES PRESENT:**

Mattie Franklin, Sergeant at Arms

### III. DISCUSSION OF LEGISLATION

#### **Senate Bill No. 14 by Senator Martiny**

Senator Martiny presented Senate Bill No. 14, which provides relative to transfers of service credit between systems.

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

A copy of witness cards of persons in support of the bill and of one person who would provide information if requested is attached. (See Exhibit A.)

Representative Lorusso offered a motion to report Senate Bill No. 14 favorably. Without objection, the motion passed by a vote of 8 yeas and 0 nays. Representatives Lorusso, Hoffmann, Ivey, Jones, Montoucet, Price, Reynolds, and Seabaugh voted yea.

Representative Lorusso offered a motion to place Senate Bill No. 14 on the Local & Consent Calendar. Without objection, the motion passed by a vote of 8 yeas and 0 nays. Representatives Lorusso, Hoffmann, Ivey, Jones, Montoucet, Price, Reynolds, and Seabaugh voted yea.

#### **House Concurrent Resolution No. 108 by Representative Stokes**

Representative Stokes presented House Concurrent Resolution No. 108, which requests the state and statewide public retirement systems to appear before the House and Senate committees on retirement and report relative to the promulgation and distribution of forms regarding pension forfeiture.

Representative Lorusso offered a set of amendments to change the date by which the report is required from May 20, 2013, to July 1, 2013. Representative Lorusso offered a motion to adopt the amendments. Without objection, the motion passed by a vote of 8 yeas and 0 nays. Representatives Lorusso, Hoffmann, Ivey, Jones, Montoucet, Price, Reynolds, and Seabaugh voted yea.

Representative Jones asked questions and discussed the merits of the resolution.

A copy of one witness card of a person who would provide information for the resolution if requested is attached. (See Exhibit B.)

Included in the members' committee meeting folders was a handout from the Louisiana State Employees' Retirement System. (See Exhibit C.)

Representative Jones offered a motion to report House Concurrent Resolution No. 108 with amendments. Without objection, the motion passed by a vote of 8 yeas and 0 nays. Representatives Lorusso, Hoffmann, Ivey, Jones, Montoucet, Price, Reynolds, and Seabaugh voted yea.

**Senate Bill No. 10 by Senator Guillory**

Senator Guillory presented Senate Bill No. 10, which provides funding criteria that any statewide retirement system must meet before granting a benefit increase.

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

A copy of witness cards of persons in support of the bill and of persons who would provide information if requested is attached. (See Exhibit D.)

Representatives Hoffmann, Ivey, and Price asked questions and discussed the merits of the bill.

Representative Price offered a motion to report Senate Bill No. 10 favorably. Without objection, the motion passed by a vote of 10 yeas and 0 nays. Representatives Lorusso, Hoffmann, Hollis, Ivey, Jones, Montoucet, Price, Reynolds, Seabaugh, and Talbot voted yea.

**Senate Concurrent Resolution No. 1 by Senator Cortez**

Senator Cortez presented Senate Concurrent Resolution No. 1, which suspends Chapter 7 of Subtitle II of Title 11 of the Louisiana Revised Statutes of 1950, comprised of R.S. 1399.1 through 1399.7.

Representatives Hoffmann and Jones asked questions and discussed the merits of the resolution.

A copy of witness cards of persons in support of the bill and of persons who would provide information if requested is attached. (See Exhibit E.)

Representative Montoucet offered a motion to report Senate Concurrent Resolution No. 1 favorably. Without objection, the motion passed by a vote of 10 yeas and 0 nays. Representatives Lorusso, Hoffmann, Hollis, Ivey, Jones, Montoucet, Price, Reynolds, Seabaugh, and Talbot voted yea.

**House Bill No. 55 by Representative Arnold**

On behalf of Representative Arnold, Mr. Frank Jobert, Jr., Harbor Police Retirement System, presented House Bill No. 55, which provides generally relative to the Harbor Police Retirement System in the city of New Orleans.

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

1. To limit the effect of proposed change to the definition of "accumulated contribution" such that it affects employees hired on or after July 1, 2013.

2. To remove the provision in proposed law requiring disabled children of deceased members to be under age 18 in order to qualify for a survivor benefit and to allow a disabled child of any age to receive such benefit if certain conditions are met.
3. To add a provision requiring legal guardian of a disabled child to submit proof of disability and require the legal guardian to notify the system if the child ceases being dependent on the legal guardian or if any changes in other assistance received by the child from other state agencies occurs.
4. To limit the effect of proposed change in eligibility for disability benefits such that it affects employees hired on or after July 1, 2013.

Representative Lorusso offered a motion to adopt the amendments. Without objection, the motion passed by a vote of 10 yeas and 0 nays. Representatives Pearson, Lorusso, Hoffmann, Hollis, Ivey, Jones, Montoucet, Price, Reynolds, and Seabaugh voted yea.

Speaking in support of the bill was Mr. Jobert, 49 Inlet Dr., Slidell, LA 70458, (985) 643-8393.

A copy of a witness card of one person in support of the bill is attached. (See Exhibit F.)

Representative Lorusso offered a motion to report House Bill No. 55 with amendments. Without objection, the motion passed by a vote of 10 yeas and 0 nays. Representatives Pearson, Lorusso, Hoffmann, Hollis, Ivey, Jones, Montoucet, Price, Reynolds, and Seabaugh voted yea.

### **House Bill No. 61 by Representative Badon**

House Bill No. 61 provides relative to the calculation of benefits for members of state and statewide retirement systems.

Representative Pearson announced that the bill was voluntarily deferred.

A copy of witness cards of persons in opposition to the bill and of persons who would provide information if requested is attached. (See Exhibit G.)

The committee recessed from 9:45 a.m. until 10:02 a.m.

Representative Montoucet offered a motion to adjourn, to which Representative Pearson objected. The secretary called the roll and by a vote of 4 yeas and 5 nays, the motion failed to pass. Representatives Jones, Montoucet, Price, and Reynolds voted yea. Representatives Pearson, Lorusso, Hollis, Ivey, and Seabaugh voted nay.

**House Bill No. 68 by Representative Pearson**

On behalf of Representative Pearson, Dr. Steven Procopio, division of administration, presented House Bill No. 68, which provides relative to the retirement of persons employed in state government positions on or after July 1, 2013.

Representative Pearson offered a motion to readopt a set of amendments in the form of a substitute bill adopted by the committee on May 2, 2013. The amendments were offered to add to the provisions of the original version of the bill a 10% interest credit cap on interest credits to a member's cash balance account and delay the effective date of the Cash Balance Plan until the division of administration receives a favorable ruling from the Internal Revenue Service regarding Social Security equivalency of the plan. The amendments would also make technical changes to current law.

Without objection, the motion passed by a vote of 9 yeas and 0 nays. Representatives Pearson, Lorusso, Hoffmann, Hollis, Ivey, Jones, Montoucet, Reynolds, and Seabaugh voted yea.

Speaking in favor of the bill was Mr. Steven Procopio, (no address given), (225) 342-7000.

Speaking in opposition to the bill were Mr. Kevin L. Cope, Association of Louisiana Faculty Senates, 9009 Spring Grove Dr., Baton Rouge, LA 70809, (225) 615-6003; Mr. Frank Jobert, Jr., Retired State Employees Association, 8412 Common St., Ste. 7, Baton Rouge, LA 70809, (225) 930-0961; Mr. Robin McCarley, the state, 18537 Plantation Court Dr., Prairieville, LA 70769, (225) 773-7113; Mr. Patrick McGee, Association of Louisiana Faculty Senates, 2127 Terrace Ave., Baton Rouge, LA 70806, (225) 344-5004; Mr. Carl Motsenbocker, LSU Faculty Senate, (no address provided), (225) 614-3195; Mr. James Robinson, Association of Louisiana Faculty Senates, 1980 Olive St., Baton Rouge, LA 70806; Mr. Jeff Roland, LSU Faculty, 386 Marion Dr., Baton Rouge, LA 70806, (225) 927-7827; and Ms. Mary-Patricia Wray, Louisiana Federation of Teachers, 9623 Brookline, Ave., Baton Rouge, LA 70809, (225) 923-8807.

Ms. Mary-Patricia Wray also read before the committee the comments of Dr. Steven Rushing, AAUP, LSUnited, UFCT, 15624 Firewood Dr., Baton Rouge, LA 70816.

Speaking to provide information on the bill were Ms. Judith Sylvester, 1126 Beckenham Dr., Baton Rouge, LA 70808, (225) 767-5845; Ms. Barbara Goodson, Board of Regents, (no address provided), (225) 342-4253; Ms. Cindy Rougeou, Louisiana State Employees' Retirement System, 8401 United Plaza Blvd., Baton Rouge, LA 70809, (225) 922-0604; Mr. Robert Klausner, Teachers' Retirement System of Louisiana and Louisiana State Employees' Retirement System, 10059 Northwest First Ct., Plantation, FL 33324, (954) 916-1202; Mr. Charles Hall, Louisiana State Employees' Retirement System, Louisiana School Employees' Retirement System, and Teachers' Retirement System of Louisiana, 1624 LaSalle Parc Dr., Baton Rouge, LA, (225) 928-7866; and Ms. Maureen H.

Westgard, Teachers' Retirement System of Louisiana, 8401 United Plaza Blvd./P.O. Box 94123, Baton Rouge, LA 7084, (225) 925-6454.

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

Mr. Patrick McGee Submitted a handout which is attached. (See Exhibit H.)

A copy of witness cards of one person in support and of persons in opposition is attached. (See Exhibit I.)

Representative Pearson offered a motion to report House Bill No. 68 by substitute, to which Representative Jones objected. The secretary called the roll and the motion passed by a vote of 7 yeas and 5 nays. Representatives Pearson, Lorusso, Hollis, Ivey, Seabaugh, Talbot, and Thompson voted yea. Representatives Hoffmann, Jones, Montoucet, Price, and Reynolds voted nay.

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

#### **V. ANNOUNCEMENTS**

#### **VI. ADJOURNMENT**

Representative Thompson offered a motion to adjourn. Without objection, the motion passed by a vote of 12 yeas and 0 nays. Representatives Pearson, Lorusso, Hoffmann, Hollis, Ivey, Jones, Montoucet, Price, Reynolds, Seabaugh, Talbot, and Thompson voted yea.

The meeting was adjourned at 12:48 PM.

Respectfully submitted,

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J. Kevin Pearson, Chairman  
House Committee on Retirement

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