

House Committee on Retirement

Minutes of Meeting
2014 Regular Session
March 27, 2014

I. CALL TO ORDER

Representative J. Kevin Pearson, chairman of the House Committee on Retirement, called the meeting to order at 9:19 a.m. 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 Gregory A. Miller
Representative Jack Montoucet
Representative Edward J. Price
Representative H. Eugene Reynolds
Representative Kirk Talbot

MEMBERS ABSENT:

None

STAFF MEMBERS PRESENT:

Stephanie Little, Committee Attorney
Shawn O'Brien, Committee Secretary
Cheryl Forrest, Sergeant at Arms
Danielle Broussard, Committee Clerk

ADDITIONAL ATTENDEES PRESENT:

Paul T. Richmond, Actuarial Services Manager,
Office of the Legislative Auditor

III. DISCUSSION OF LEGISLATION

House Bill No. 6 by Representative Pearson

Representative Pearson presented House Bill No. 6, which establishes a minimum employer contribution rate for the Optional Retirement Plan (ORP) in the Teachers' Retirement System of Louisiana (TRSL).

Representative Pearson offered amendments to remove provisions establishing the portion of the employer contribution rate credited to ORP member accounts at the greater of the normal cost or 6.25% of pay; add a provision allowing each higher education board to establish a rate to be contributed to its employees' ORP accounts and the schedule for same; and add provisions for contributions for all employers that are not postsecondary education management boards or an employer or agency under the control of such a board.

Representative Pearson offered a motion to adopt the proposed amendments. Without objection, the amendments were adopted by a vote of 10 yeas and 0 nays. Representatives Pearson, Lorusso, Hoffmann, Hollis, Ivey, Jones, Miller, Price, Reynolds, and Talbot voted yea.

Mr. Shane Riddle, LAE, 8322 One Calais Ave., Baton Rouge, LA, 225-343-9243, spoke in favor of the bill.

Ms. Mary Patricia Wray, Louisiana Federation of Teachers, 9623 Brookline Ave., Baton Rouge, LA; Mr. Kevin Hayes, TIAA-CREF (no address provided); and Mr. Rodney Braxton, Southern University System Foundation, 543 Spanish Town Rd., Baton Rouge, 225-381-0166, submitted cards in favor of the bill.

Mr. Stuart Cable, deputy director, TRSL, 8401 United Plaza Blvd., Baton Rouge, LA, 225-925-7934, was available to provide information upon request.

Representative Jones offered a motion to report House Bill No. 6 with amendments. Without objection, House Bill No. 6 was reported with amendments by a vote of 9 yeas and 0 nays. Representatives Pearson, Lorusso, Hoffmann, Hollis, Jones, Miller, Montoucet, Reynolds, and Talbot voted yea.

House Bill No. 24 by Representative Pearson

Representative Pearson presented House Bill No. 24, which provides relative to amortization schedules for credits and liabilities of the Municipal Police Employees' Retirement System (MPERS).

Mr. R. Randall Roche, attorney, MPERS, 7722 Office Park Blvd., Baton Rouge, LA, 225-933-2727, was present in support for the bill.

Mr. Greg Curran, statewide systems actuary, 10555 N. Glenstone Pl., Baton Rouge, LA, 225-769-4825, provided information on the bill.

Representative Jones offered a motion to report House Bill No. 24 favorably. Without objection, House Bill No. 24 was reported favorably by a vote of 8 yeas and 0 nays. Representatives Pearson, Lorusso, Hoffmann, Hollis, Jones, Miller, Montoucet, and Reynolds voted yea.

House Bill No. 65 by Representative Montoucet

Representative Montoucet presented House Bill No. 65, which authorizes the board of trustees of the Firefighters' Retirement System to adopt group trust provisions pursuant to Internal Revenue Service rulings.

Mr. Steven Stockstill, Firefighters Retirement Board, 3100 Brentwood Dr., Baton Rouge, LA, 225-925-4060, appeared with the author and spoke in favor of the bill.

Ms. Mary Patricia Wray, Louisiana Federation of Teachers, 9623 Brookline Ave., Baton Rouge, LA, 225-923-1037; Mr. Stacy Birdwell, Shreveport Firefighters, 9021 Aurora Lane, Shreveport, LA; Mr. Perry Jeselink, Monroe Firefighters, 2500 Bonita Pl., Monroe, LA, 318-614-7798; Ms. Barbara Sellers, Professional Firefighters Association of Louisiana (PFFA)/Shreveport Firefighters, 222 LaFitte Rd., Bossier City, LA, 318-272-9229; Mr. Shane Spillman, Firefighters, (no address provided); Mr. Michael Myers, Red River United, 1726 Line Ave., Shreveport, LA 71101, 318-424-4579; Mr. Chad Major, PFFA, (address illegible), Baton Rouge, LA, 225-572-8483; Mr. Craig Burkett, Jefferson Firefighters, 1312 Airline Park Blvd., Metairie, LA, 504-874-7003; and Mr. Robert Burkett, Jefferson Firefighters, 7 Bendick Ct., Kenner, LA, 504-469-5445, were present in support of the bill.

Mr. Greg Curran, Statewide Systems Actuary, 10555 N. Glenstone Pl., Baton Rouge, LA, 225-769-4825 was available for information on the bill.

Representative Jones offered a motion to report House Bill No. 65 favorably. Without objection, House Bill No. 65 was reported favorably by a vote of 8 yeas and 0 nays. Representatives Pearson, Lorusso, Hoffmann, Hollis, Jones, Miller, Montoucet, and Reynolds voted yea.

House Bill No. 75 by Representative Montoucet

Representative Montoucet presented House Bill No. 75, which requires court order be provided to the Firefighters' Retirement System before the system can seize or garnish benefits of a member.

Mr. Steven Stockstill, Firefighters Retirement Board, 3100 Brentwood Dr., Baton Rouge, LA, 225-925-4060, appeared with the author and spoke in favor of the bill.

Ms. Mary Patricia Wray, Louisiana Federation of Teachers, 9623 Brookline Ave., Baton Rouge, LA, 225-923-1037; Mr. Stacy Birdwell, Shreveport Fire Fighters, 9021 Aurora Lane, Shreveport, LA; Mr. Perry Jeselink, Monroe Firefighters, 2500 Bonita Pl., Monroe, LA, 318-614-7798; Ms. Barbara Sellers, PFFA/Shreveport Firefighters, 222 LaFitte Rd., Bossier City, LA, 318-272-9229; Mr. Shane Spillman, Firefighters, (no address provided); Mr. Michael Myers, Red River United, 1726 Line Ave., Shreveport, LA 71101, 318-424-4579; Mr. Chad Major, PFFA, (address illegible), Baton Rouge, LA, 225-572-8483; Mr. Craig Burkett, Jefferson Firefighters, 1312 Airline Park Blvd.,

Metairie, LA, 504-874-7003; Mr. Robert Burkett, Jefferson Firefighters, 7 Bendick Ct., Kenner, LA, 504-469-5445, submitted cards in support of the bill.

Representative Jones offered a motion to report House Bill No. 75 favorably. Without objection, House Bill No. 75 was reported favorably by a vote of 9 yeas and 0 nays. Representatives Pearson, Lorusso, Hoffmann, Hollis, Jones, Miller, Montoucet, Reynolds, and Talbot voted yea.

House Bill No. 76 by Representative Montoucet

Representative Montoucet presented House Bill No. 76, which provides relative to the removal of a former spouse as a designated beneficiary of an active member of the Firefighters' Retirement System.

Mr. Steven Stockstill, Firefighters' Retirement Board, 3100 Brentwood Dr., Baton Rouge, LA, 225-925-4060, appeared with the author and spoke in favor of the bill, calling the change a technical correction.

Mr. Stacy Birdwell, Shreveport Firefighters, 9021 Aurora Lane, Shreveport, LA; Mr. Perry Jeselink, Monroe Firefighters, 2500 Bonita Pl., Monroe, LA, 318-614-7798; Ms. Barbara Sellers, Professional Firefighters Association (PFFA)/Shreveport Firefighters, 222 LaFitte Rd., Bossier City, LA, 318-272-9229; Mr. Shane Spillman, Firefighters, (no address provided); Mr. Michael Myers, Red River United, 1726 Line Ave., Shreveport, LA, 318-424-4579; Mr. Chad Major, PFFA, (address illegible), Baton Rouge, LA, 225-572-8483; Mr. Craig Burkett, Jefferson Firefighters, 1312 Airline Park Blvd., Metairie, LA, 504-874-7003; and Mr. Robert Burkett, Jefferson Firefighters, 7 Bendick Ct., Kenner, LA, 504-469-5445, submitted cards in support of the bill.

Mr. Greg Curran, statewide systems actuary, 10555 N. Glenstone Pl., Baton Rouge, LA 769-4825 was available for information on the bill.

Representative Hoffmann offered a motion to report House Bill No. 76 favorably. Without objection, House Bill No. 76 was reported favorably by a vote of 9 yeas and 0 nays. Representatives Pearson, Lorusso, Hoffmann, Hollis, Jones, Miller, Montoucet, Reynolds, and Talbot voted yea.

House Bill No. 77 by Representative Montoucet

Representative Montoucet presented House Bill No. 77, which provides for conversion of leave to service credit in the Firefighters' Retirement System.

Mr. Steven Stockstill, Firefighters' Retirement Board, 3100 Brentwood Dr., Baton Rouge, LA, 225-925-4060, appeared with the author and spoke in favor of the bill.

Mr. Stacy Birdwell, Shreveport Fire Fighters, 9021 Aurora Lane, Shreveport, LA; Mr. Perry Jeselink, Monroe Firefighters, 2500 Bonita Pl., Monroe, LA, 318-614-7798; Ms. Barbara Sellers, Professional Firefighters Association of Louisiana (PFFA)/Shreveport Firefighters, 222 LaFitte Rd., Bossier City, LA, 318-272-9229; Mr. Shane Spillman, Firefighters, (no address provided); Mr. Michael Myers, Red River United, 1726 Line Ave., Shreveport, LA 71101, 318-424-4579; Mr. Chad Major, PFFA, (address illegible), Baton Rouge, LA, 225-572-8483; Mr. Craig Burkett, Jefferson Firefighters, 1312

Airline Park Blvd., Metairie, LA, 504-874-7003; Mr. Robert Burkett, Jefferson Firefighters, 7 Bendick Ct., Kenner, LA, 504-469-5445; and Ms. Mary Patricia Wray, Louisiana Federation of Teachers, 9623 Brookline Ave., Baton Rouge, LA, submitted cards in support of the bill.

Mr. Greg Curran, statewide systems actuary, 10555 N. Glenstone Pl., Baton Rouge, LA 225-769-4825 was available to provide information on the bill.

Representative Jones offered a motion to report House Bill No. 77 favorably. Without objection, House Bill No. 77 was reported favorably by a vote of 9 yeas and 0 nays. Representatives Pearson, Lorusso, Hoffmann, Hollis, Jones, Miller, Montoucet, Reynolds, and Talbot voted yea.

House Bill No. 67 by Representative Montoucet

Representative Montoucet presented House Bill No. 67, which provides that the benefit accrual rate for members of the Firefighters Retirement System first hired on or after July 1, 2014, is based on length of service and extends maximum DROP participation from three to five years for members with 30 or more years of service.

Mr. Steven Stockstill, Firefighters Retirement Board, 3100 Brentwood Dr., Baton Rouge, LA, 225-925-4060, appeared with the author and explained the bill.

Mr. Chad Major, Professional Firefighters Association (PFFA), (address illegible), Baton Rouge, LA, 225-572-8483, spoke in favor of the bill.

Mr. Paul Richmond, actuarial services manager, Office of the Legislative Auditor, explained his conclusion that there would be upfront costs to the system based on provisions in the bill.

Ms. Stephanie Little, staff attorney, explained a proposed amendment offered by Representative Montoucet.

During discussion, Representative Montoucet changed the amendment to pertain only to in-service-disabled members of the system.

Representative Jones offered a motion to adopt the proposed amendments with the described changes. Without objection, the amendments were adopted by a vote of 11 yeas and 0 nays. Representatives Pearson, Lorusso, Hoffmann, Hollis, Ivey, Jones, Miller, Montoucet, Price, Reynolds, and Talbot voted yea.

Ms. Barbara Sellers, PFFA/Shreveport Firefighters, 222 LaFitte Rd., Bossier City, LA, 318-272-9229; Mr. Shane Spillman, Firefighters, (no address provided); Mr. Michael Myers, Red River United, 1726 Line Ave., Shreveport, LA 71101, 318-424-4579; Mr. Craig Burkett, Jefferson Firefighters, 1312 Airline Park Blvd., Metairie, LA, 504-874-7003; Mr. Robert Burkett, Jefferson Firefighters, 7 Bendick Ct., Kenner, LA, 504-469-5445; and Ms. Mary Patricia Wray, Louisiana Federation of Teachers, 9623 Brookline Ave., Baton Rouge, LA, submitted cards in support of the bill.

Mr. Stacy Birdwell, Shreveport Firefighters, 9021 Aurora Lane, Shreveport, LA and Mr. Perry Jeselink, Monroe Firefighters, 2500 Bonita Pl., Monroe, LA, 318-614-7798, spoke in favor of the bill relative to cost savings.

Mr. Greg Curran, statewide systems actuary, 10555 N. Glenstone Pl., Baton Rouge, LA, 225-769-4825, was available to provide information on the bill.

Representative Jones offered a motion to report House Bill No. 67 with amendments, to which Representative Ivey objected. A roll call vote was taken and by a vote of 5 yeas and 6 nays, the motion failed to pass. Representatives Hoffmann, Jones, Montoucet, Price, and Reynolds voted yea. Representatives Pearson, Lorusso, Hollis, Ivey, Miller, and Talbot voted nay.

House Bill No. 90 by Representative Barrow

Representative Price presented House Bill No. 90 on behalf of the author. The bill, a companion to a constitutional amendment, requires occasional supplemental payments to retirees and beneficiaries of the four state retirement systems from monies available from the Seniors' Supplemental Fund.

Representative Price offered a set of technical amendments.

Representative Price offered a motion to adopt the proposed technical amendments. Without objection, the amendments were adopted by a vote of 10 yeas and 0 nays. Representatives Lorusso, Hoffmann, Hollis, Ivey, Jones, Miller, Montoucet, Price, Reynolds, and Talbot voted yea.

Mr. Frank Jobert, Jr., RSEA, 9412 Common St., Suite 7, Baton Rouge, LA, 225-930-0961, spoke in favor of the bill.

Mr. Mike Myers, Red River United, 1726 Line Ave., Shreveport, LA, 318-424-4579; Ms. Mary Patricia Wray, La. Federation of Teachers, 9623 Brookline Ave., Baton Rouge, LA; Mr. Graig Luscombe, LRTA, 9412 Common St., Baton Rouge, LA, 225-927-8837; and Mr. David Young, La. State Troopers Association, 8170 Jefferson Hwy., Baton Rouge, LA, 225-938-3221, submitted witness cards indicating their support for the legislation.

Mr. Charles G. Jeane, governor's office (no address provided), 225-276-0693, submitted a card in opposition to the bill.

Mr. Stuart Cagle, deputy director, Teachers' Retirement System of Louisiana, 8401 United Plaza Blvd., Baton Rouge, LA, 225-925-7934, was present to provide information on the bill.

Representative Price offered a motion to voluntarily defer action on House Bill No. 90 in the absence of the author. Without objection, action on House Bill No. 90 was voluntarily deferred by a vote of 11 yeas and 0 nays. Representatives Pearson, Lorusso, Hoffmann, Hollis, Ivey, Jones, Miller, Montoucet, Price, Reynolds, and Talbot voted yea.

IV. OTHER BUSINESS

There was no other business to come before the committee.

V. ANNOUNCEMENTS

There were no announcements.

VI. ADJOURNMENT

The meeting was adjourned at 12:21 p.m.

Respectfully submitted,

J. Kevin Pearson, Chairman
House Committee on Retirement

/so

Date Approved: _____

The committee has acknowledged on April 22, 2015, that these minutes were prepared in accordance with the rules of the House of Representatives.