

## **House Committee on Retirement**

Minutes of Meeting  
2014 Regular Session  
April 10, 2014

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

Representative J. Kevin Pearson, chairman of the House Committee on Retirement, called the meeting to order at 11:55 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 Barry Ivey  
Representative Gregory A. Miller  
Representative Jack Montoucet  
Representative Edward J. Price  
Representative H. Eugene Reynolds  
Representative Kirk Talbot

#### **MEMBERS ABSENT:**

Representative Paul Hollis  
Representative Sam Jones

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

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

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

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

### III. DISCUSSION OF LEGISLATION

#### **House Bill No. 45 by Representative Seabaugh**

Representative Seabaugh presented House Bill No. 45, which prohibits membership in the Teachers' Retirement System of Louisiana (TRSL) for new hires of certain private employers and allows current members of such employers to retain their membership.

Representative Talbot offered a set of amendments adding a provision prohibiting new hires on or after September 1, 2014, employed by a primary health center established under the federal Public Health Services Act from being members of LASERS and a provision applying proposed law restrictions to officers of the Louisiana Association of Educators (LAE) and the Louisiana Federation of Teachers (LFT) who are elected on or after September 1, 2014.

Representative Talbot offered a motion to adopt the proposed amendments. Without objection, the amendments were adopted by a vote of 8 yeas and 0 nays. Representatives Pearson, Hoffmann, Ivey, Lorusso, Montoucet, Price, Reynolds, and Talbot voted yea.

Ms. Maureen H. Westgard, Director, TRSL, 8401 United Plaza Blvd., Baton Rouge, LA 70804, 225-925-6454, provided information on the bill and the proposed amendments.

Ms. Courtney Baker, LABI, 3113 Valley Creek, Baton Rouge, LA, 225-937-7573, testified in support of the bill.

Mr. Shane Riddle, Louisiana Association of Educators (LAE), 8322 One Calais Ave., Baton Rouge, LA, 225-343-9243; Ms. Deborah Meaux, LAE, Mr. Mike Myers, Red River United, 1726 Line Ave., Shreveport, LA 71101, 318-424-4579; Mr. Ed Parker and Ms. Ina LaBorde, AFSCME, 429 Government St., Baton Rouge, LA 225-927-2800; Mr. Johnny Sabathe, Pipetrades, Louisiana AFL-CIO - Pipe Trades, 425 Government Street, Baton Rouge, LA; Mr. David Duplechain, SMART, 421 Government St., Baton Rouge, LA; Mr. Shane Spillman, Firefighters, (no address provided); and Mr. Ernest Stephens, LA AFL-CIO, 429 Government St., Baton Rouge, LA, 225-383-5741; submitted witness cards indicating their opposition to the bill.

Ms. Mary Patricia Wray, Louisiana Federation of Teachers, 9623 Brookline Ave., Baton Rouge, LA 70809, testified in opposition to the bill.

Representative Talbot offered a motion to report House Bill No. 45 with amendments, to which Representative Price objected. A roll call vote was taken and House Bill No. 45 was reported with amendments by a vote of 6 yeas and 3 nays. Representatives Pearson, Hoffmann, Ivey, Lorusso, Miller, and Talbot voted yea. Representatives Montoucet, Price, and Reynolds voted nay.

#### **House Bill No. 1034 by Representative Richard**

Representative Richard presented House Bill No. 1034 with Mayor Tommy Eschete, 178 Cinclare Drive, Thibodaux, LA. The bill provides relative to the reduction in benefits of certain rehired retirees of the Municipal Employees' Retirement System.

Mr. Robert Rust, director, and Mr. Warren Ponder, general counsel, Municipal Employees' Retirement System (MERS), 7937 Office Park Blvd., Baton Rouge, LA, 225-925-4810; and Mr. Gary Curran, C.S. Curran, Ltd., 10555 N. Gleason Place, Baton Rouge, LA, provided information on the bill.

Ms. Paulette Bailey-Wilson, Louisiana Municipal Association, 4919 Jamestown Avenue, Suite 103, Baton Rouge, LA, submitted a card in opposition to the bill but did not speak.

Mr. Ronnie C. Harris, Louisiana Municipal Association/MERS, 700 N. 10th Street, Baton Rouge, LA, 225-344-5001, testified in opposition to the bill.

Representative Montoucet offered a motion to report House Bill No. 1034 favorably, to which Representative Pearson objected. A roll call vote was taken and by a vote of 1 yeas and 7 nays, the motion failed to pass. Representative Montoucet voted yeas. Representatives Pearson, Hoffmann, Ivey, Miller, Price, Reynolds, and Talbot voted nays.

Representative Pearson offered a motion to involuntarily defer action on House Bill No. 1034. Without objection, action on House Bill No. 1034 was involuntarily deferred by a vote of 8 yeas and 0 nays. Representatives Pearson, Hoffmann, Ivey, Miller, Montoucet, Price, Reynolds, and Talbot voted yeas.

#### **House Bill No. 7 by Representative Pearson**

House Bill No. 7 provides relative to the accrual rate for members of Plan A of the Municipal Employees' Retirement System first hired on or after July 1, 2014.

There was no discussion on the bill.

Representative Pearson offered a motion to voluntarily defer action on House Bill No. 7. Without objection, action on House Bill No. 7 was voluntarily deferred by a vote of 8 yeas and 0 nays. Representatives Pearson, Hoffmann, Ivey, Miller, Montoucet, Price, Reynolds, and Talbot voted yeas.

#### **House Bill No. 38 by Representative Pearson**

Representative Pearson presented House Bill No. 38, which provides relative to retirement eligibility for nonhazardous duty members of state retirement systems, raising the retirement age for new hires to 62 from 60 due to what he referred to as increased longevity.

Ms. Courtney Baker, LABI, 3113 Valley Creek, Baton Rouge, LA, 225-937-7573, submitted a card in support of the bill.

Mr. Shane Riddle, Louisiana Association of Educators (LAE), 8322 One Calais Ave., Baton Rouge, LA 70809, 225-343-9243; Mr. Ed Parker and Ms. Ina LaBorde, AFSCME, 429 Government St., Baton Rouge, LA, 225-927-2800; Mr. Johnny Sabathe, Louisiana AFL-CIO - Pipe Trades, 425 Government Street, Baton Rouge, LA; Mr. David Duplechain, SMART, 421 Government St., Baton Rouge, LA; Mr. Shane Spillman, Firefighters, (no address provided); and Mr. Ernest Stephens, LA

AFL-CIO, 429 Government St., Baton Rouge, LA, 225-383-5741, submitted witness cards indicating opposition to the bill.

Ms. Deborah Meaux, LAE (no address provided); Mr. Mike Myers, Red River United, 1726 Line Ave., Shreveport, LA, 318-424-4579; and Ms. Mary Patricia Wray, Louisiana Federation of Teachers, 9623 Brookline Ave., Baton Rouge, LA, testified in opposition to the bill.

Mr. Charles Bujol, executive director, Louisiana School Employees' Retirement System, 8660 United Plaza Blvd., Baton Rouge, LA, submitted a card in support of the bill.

Ms. Cindy Rougeou, LASERS, 8401 United Plaza Blvd., Baton Rouge, LA, 225-922-0604; and Ms. Maureen Westgard, director, Teachers' Retirement System of Louisiana, 8401 United Plaza Blvd., Baton Rouge, LA, 225-925-6454, were available to provide information on the bill.

Representative Pearson offered a motion to report House Bill No. 38 favorably. Without objection, House Bill No. 38 was reported favorably by a vote of 8 yeas and 0 nays. Representatives Pearson, Ivey, Lorusso, Miller, Montoucet, Price, Reynolds, and Talbot voted yea.

#### **House Bill No. 39 by Representative Pearson**

Representative Pearson presented House Bill No. 39, which provides relative to the Back-Deferred Retirement Option Plan (Back-DROP) in the Louisiana Assessors' Retirement Fund.

Mr. James Laurent, Jr., Assessor, Pointe Coupee Parish, 211 East Main St., New Roads, LA, and Ms. Nannette Menou, Louisiana Assessors Retirement Fund, 3060 Valley Creek, Baton Rouge, LA, 225-925-8886, explained the bill on behalf of the author, stating that it makes a technical correction in the law.

Mr. Barney Altazan and Mr. Charles Henington, Jr., Louisiana Assessors Association, Baton Rouge, LA; and Ms. Katherine Bertrand, Louisiana Assessors Retirement Fund, 3060 Valley Creek, Baton Rouge, LA, 225-928-8886, submitted cards in support of the legislation.

Representative Price offered a motion to report House Bill No. 39 favorably. Without objection, House Bill No. 39 was reported favorably by a vote of 7 yeas and 0 nays. Representatives Ivey, Lorusso, Miller, Montoucet, Price, Reynolds, and Talbot voted yea.

#### **House Bill No. 27 by Representative Arnold**

House Bill No. 27 provides relative to the Deferred Retirement Option Plan in the Firefighters' Pension and Relief Fund in the city of New Orleans.

Mr. Nick Felton, president, New Orleans Firefighters Association, 3520 General deGaulle, #3001, New Orleans, LA, 504-366-8564, presented the bill on behalf of the author.

Representative Lorusso offered a set of amendments to remove provisions requiring administrative expenses to be deducted from DROP accounts and provide instead for removing administrative expenses from the interest credit amount before interest is credited to the DROP account.

Representative Lorusso offered a motion to adopt the proposed amendments. Without objection, the amendments were adopted by a vote of 6 yeas and 0 nays. Representatives Ivey, Lorusso, Miller, Price, Reynolds, and Talbot voted yea.

Mr. Louis Robein, New Orleans Firefighters Pension Fund, 2540 Severn Ave., #400, Metairie, LA, 504-885-9994; Mr. Rodney Braxton, City of New Orleans, 1300 Perdido St., New Orleans, LA; Ms. Barbara Sellers, PFFA, 222 LaFitte Rd., Bossier City, LA, 318-272-9229; Ms. Julie Cherry, Louisiana AFL-CIO, 429 Government St., Baton Rouge, LA, 225-383-5241; Mr. Ed Parker, AFSCME, 429 Government St., Baton Rouge, LA 225-927-2800; Mr. John Sabathe, Louisiana AFL-CIO, 425 Government Street, Baton Rouge, LA; Mr. Shane Spillman, representing firefighters, (no address provided); and Mr. Ernest Stephens, Louisiana AFL-CIO, 429 Government St., Baton Rouge, LA, 225-383-5741, submitted witness cards in support of House Bill No. 27 but did not testify.

Mr. Martin Gaal and Mr. Thomas Meagher, New Orleans Firefighter Pension and Relief Fund, 3520 Gen. deGaulle, New Orleans, LA, and Mr. Gary Curran, G.S. Curran and Co., 10555 N. Glenstone Pl., Baton Rouge, LA, 225-767-4825, were present to provide information but did not speak.

Representative Price offered a motion to report House Bill No. 27 with amendments. Without objection, House Bill No. 27 was reported with amendments by a vote of 6 yeas and 0 nays. Representatives Ivey, Lorusso, Miller, Price, Reynolds, and Talbot voted yea.

#### **House Bill No. 5 by Representative Pearson**

House Bill No. 5 provides relative to the composition of the board of trustees of the Municipal Employees' Retirement System (MERS).

Mr. Robert Rust, director, and Mr. Warren Ponder, general counsel, MERS, 7937 Office Park Blvd., Baton Rouge, LA 70809, 225-925-4810, explained the bill on behalf of the author.

Representative Lorusso offered a set of amendments which, as explained by Ms. Little, add provisions authorizing the president of the Louisiana Municipal Association to designate someone to serve in his place; allowing a trustee elected pursuant to the proposed law to continue serving if he remains a member of the system, regardless of a change in employment which would otherwise disqualify him; phasing in elected and nonelected official trustees through certain regularly scheduled elections in the future and regarding filling vacancies in such trustee positions; and changing the effective date of the Act to February 27, 2015.

Representative Lorusso offered a motion to adopt the proposed amendments. Without objection, the amendments were adopted by a vote of 7 yeas and 0 nays. Representatives Hoffmann, Lorusso, Miller, Montoucet, Price, Reynolds, and Talbot voted yea.

Mr. Ronnie C. Harris, executive director, Louisiana Municipal Association and chairman of MERS, 700 N. 10th St., Baton Rouge, LA, 225-344-5001, testified in support of the bill on behalf of both agencies.

Representative Lorusso offered a motion to report House Bill No. 5 with amendments. Without objection, House Bill No. 5 was reported with amendments by a vote of 7 yeas and 0 nays. Representatives Hoffmann, Lorusso, Miller, Montoucet, Price, Reynolds, and Talbot voted yea.

### **House Bill No. 23 by Representative Pearson**

House Bill No. 23 provides relative to expenses and funds of the Municipal Employees' Retirement System (MERS).

Mr. Gary Curran, C.S. Curran, Ltd., 10555 N. Gleason Place, Baton Rouge, LA, actuary for MERS, explained the bill on behalf of the author, along with Mr. Robert Rust, director, and Mr. Warren Ponder, general counsel, MERS, 7937 Office Park Blvd., Baton Rouge, LA, 225-925-4810.

Mr. Ronnie C. Harris, Executive Director, Louisiana Municipal Association, and chairman of the Municipal Employees Retirement System, 700 N. 10th St., Baton Rouge, LA, 225-344-5001, submitted a witness card in support of the bill.

Representative Lorusso offered a motion to report House Bill No. 23 favorably. Without objection, House Bill No. 23 was reported favorably by a vote of 7 yeas and 0 nays. Representatives Hoffmann, Lorusso, Miller, Montoucet, Price, Reynolds, and Talbot voted yea.

### **House Bill No. 87 by Representative Danahay**

Representative Danahay presented House Bill No. 87, which provides for shared employment between the Vinton Public Power Authority and another employer in the Municipal Employees' Retirement System (MERS) and provides guidelines and restrictions relative to creditable service for such employment.

Mr. Cade Cole, Town of Vinton (no address provided), provided information on the bill, assisting the author in his presentation.

Mr. Robert Rust, director, and Mr. Warren Ponder, general counsel, MERS, 7937 Office Park Blvd., Baton Rouge, LA, 225-925-4810, were present to provide information on the bill.

Mr. Ronnie C. Harris, executive director, Louisiana Municipal Association, and chairman of the Municipal Employees Retirement System, 700 N. 10th St., Baton Rouge, LA, 225-344-5001, submitted a card in support of the bill.

Representative Pearson offered a motion to report House Bill No. 87 favorably. Without objection, House Bill No. 87 was reported favorably by a vote of 7 yeas and 0 nays. Representatives Pearson, Hoffmann, Lorusso, Miller, Montoucet, Reynolds, and Talbot voted yea.

### **House Bill No. 90 by Representative Barrow**

Representative Barrow presented House Bill No. 90, which requires occasional supplemental payments to retirees and beneficiaries of the four state retirement systems from monies available from the Seniors' Supplement Fund.

Ms. Little explained that the bill had been discussed and amended at a previous meeting.

Mr. Charles Bujol, executive director, Louisiana School Employees' Retirement System, 8660 United Plaza Blvd., Baton Rouge, LA, and Ms. Maureen Westgard, director, Teachers' Retirement System of Louisiana, 8401 United Plaza Blvd., Baton Rouge, LA 225-925-6454, were available to provide information on the bill.

Mr. Ed Parker and Ms. Ina LaBorde, AFSCME, 429 Government St., Baton Rouge, LA 225-927-2800; Mr. Johnny Sabathe, Louisiana AFL-CIO - Pipe Trades, 425 Government Street, Baton Rouge, LA; Mr. David Duplechain, SMART, 421 Government St., Baton Rouge, LA; Mr. Shane Spillman, representing firefighters, (no address provided); Ms. Julie Cherry and Mr. Ernest Stephens, LA AFL-CIO, 429 Government St., Baton Rouge, LA, 225-383-5741; Ms. Mary Patricia Wray, Louisiana Federation of Teachers, 9623 Brookline Ave., Baton Rouge, LA; Mr. Graig Luscombe, Louisiana Retired Teachers Assn., 9412 Common St., Baton Rouge, LA, 225-927-8837; and Mr. Frank Jobert Jr., RSEA, 9412 Common St., Suite 7, Baton Rouge, LA, 225-930-0961, submitted witness cards in support of the legislation.

Mr. Charles Jeane, governor's office, 225-276-0693, submitted a card in opposition to the bill.

Representative Montoucet offered a motion to report House Bill No. 90 with amendments, to which Representative Pearson objected. A roll call vote was taken and by a vote of 1 yeas and 6 nays, the motion failed to pass. Representative Montoucet voted yea. Representatives Pearson, Ivey, Lorusso, Miller, Reynolds, and Talbot voted nay.

Representative Pearson offered a motion to involuntarily defer action on House Bill No. 90. Without objection, action on House Bill No. 90 was involuntarily deferred by a vote of 7 yeas and 0 nays. Representatives Pearson, Ivey, Lorusso, Miller, Montoucet, 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 1:25 p.m.

Respectfully submitted,

J. Kevin Pearson, Chairman  
House Committee on Retirement

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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.