

House Committee on Retirement

Minutes of Meeting
2016 Regular Session
April 21, 2016

I. CALL TO ORDER

Representative J. Kevin Pearson, chairman of the House Committee on Retirement, called the meeting to order at 9:08 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 Mark Abraham
Representative Tony Bacala
Representative Barbara W. Carpenter
Representative Paul Hollis
Representative Barry Ivey
Representative Sam Jones
Representative Gregory A. Miller
Representative Jack Montoucet, vice chairman

MEMBERS ABSENT:

None

STAFF MEMBERS PRESENT:

Annie Smith, attorney
Linda Hopkins, secretary

ADDITIONAL ATTENDEES PRESENT:

Myrtis Jarrell, sergeant at arms
Janet Anthony, sergeant at arms

III. DISCUSSION OF LEGISLATION

Chairman Pearson exits chair; Vice Chair Montoucet seated at chair.

House Bill No. 45 by Representative Ivey

Representative Ivey presented House Bill No. 45, which removes the guarantee of retirement benefits for state employees in certain circumstances (Constitutional Amendment).

Representative Bacala offered amendments to make technical changes. Representative Bacala offered a motion to adopt the proposed amendments. Without objection, the amendments were adopted by a vote of 8 yeas and 0 nays. Representatives Abraham, Bacala, Carpenter, Hollis, Ivey, Jones, Gregory Miller, and Montoucet voted yea.

Representative Ivey offered a motion to voluntarily defer action on House Bill No. 45. Without objection, action on House Bill No. 45 was voluntarily deferred by a vote of 9 yeas and 0 nays. Representatives Pearson, Abraham, Bacala, Carpenter, Hollis, Ivey, Jones, Gregory Miller, and Montoucet voted yea.

Witness cards submitted by individuals who did not speak are as follows: 64 in opposition to House Bill No. 45; 7 to provide information only if requested. Witness cards are included in the committee records.

House Bill No. 46 by Representative Ivey

Representative Ivey presented House Bill No. 46, which requires new hires enrolled in state retirement systems to share certain retirement costs equally with their employer (Constitutional Amendment).

Representative Ivey offered a motion to voluntarily defer action on House Bill No. 46. Without objection, action on House Bill No. 46 was voluntarily deferred by a vote of 8 yeas and 0 nays. Representatives Pearson, Abraham, Bacala, Carpenter, Ivey, Jones, Gregory Miller, and Montoucet voted yea.

Witness cards submitted by individuals who did not speak are as follows: 59 in opposition to House Bill No. 46; 7 to provide information only if requested. Witness cards are included in the committee records.

Chairman Pearson returns to the chair; Vice Chair Montoucet exits chair.

House Bill No. 49 by Representative Ivey

Representative Ivey presented House Bill No. 49, which provides relative to payment of the actuarial cost of certain future expansions or augmentations of a member's benefit.

Representative Bacala offered amendments to correct provisions regarding employer contributions. Representative Bacala 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, Abraham, Bacala, Carpenter, Ivey, Jones, Gregory Miller, and Montoucet voted yea.

Representative Ivey offered a motion to voluntarily defer action on House Bill No. 49. Without objection, action on House Bill No. 49 was voluntarily deferred by a vote of 8 yeas and 0 nays. Representatives Pearson, Abraham, Bacala, Carpenter, Ivey, Jones, Gregory Miller, and Montoucet voted yea.

Witness cards submitted by individuals who did not speak are as follows: 59 in opposition to House Bill No. 49; 9 to provide information only if requested. Witness cards are included in the committee records.

House Bill No. 65 by Representative Ivey

Chairman Pearson asked Mr. Brainard to begin with his presentation for House Bill No. 65 by Representative Ivey.

Keith Brainard, representing National Association of State Retirement Administrators, (NASRA) P. O. Box 980, Georgetown, TX 78627, (512) 868-2774, presented a graphic comparison of benefit levels and costs of retirement benefits administered by the Teachers' Retirement System of Louisiana (TRSL) and a comparison of benefit levels and costs of retirement benefits administered by the Louisiana State Employees' Retirement System (LASERS) (Exhibits A and B).

Representative Ivey presented House Bill No. 65, which establishes a new hybrid retirement benefit structure for members of state retirement systems first hired on or after July 1, 2018.

Representative Ivey offered amendments to make technical changes. Representative Ivey 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, Abraham, Bacala, Carpenter, Ivey, Jones, Gregory Miller, and Montoucet voted yea.

Representative Pearson offered amendments to clarify that hybrid plan does not apply to higher optional retirement plan. Representative Pearson 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, Abraham, Bacala, Carpenter, Ivey, Jones, Gregory Miller, and Montoucet voted yea.

Anthony Randazzo, director of economic research, Reason Foundation, 5737 Mesmer, Los Angeles, CA, presented an analysis of proposed pension reform for Louisiana (Exhibit C).

Pete Constant, director of pension integrity project, Reason Foundation, 5737 Mesmer Avenue, Los Angeles, CA, (408) 649-9500, presented analysis of proposed pension reform for Louisiana (Exhibit C).

Maureen Westgard, director, Teachers' Retirement System of Louisiana, 8401 United Plaza Boulevard, Baton Rouge, LA 70804, (225) 925-6454, spoke to provide information only on House Bill No. 65.

Robert Klausner, representing Teachers' Retirement System of Louisiana, Louisiana State Employees' Retirement System, Louisiana School Employees' Retirement System, and Louisiana State Police Retirement System, 7080 Northwest 4th Street, Plantation, FL 33317, (954) 916-1202, spoke to provide information only on House Bill No. 65.

Shelly Johnson, actuary representing Teachers' Retirement System of Louisiana and Louisiana State Employees' Retirement System, 13420 Parker Commons Boulevard, Suite 104, Ft. Myers, FL 33912, (239) 433-5500, spoke to provide information only on House Bill No. 65.

Cindy Rougeou, executive director, Louisiana State Employees' Retirement System, 8401 United Plaza Boulevard, Baton Rouge, LA 70809, (225) 922-0604, spoke to provide information only on House Bill No. 65.

Representative Ivey offered a motion to voluntarily defer action on House Bill No. 65. Without objection, action on House Bill No. 65 was voluntarily deferred by a vote of 8 yeas and 0 nays. Representatives Pearson, Abraham, Carpenter, Hollis, Ivey, Jones, Gregory Miller, and Montoucet voted yea.

Witness cards submitted by individuals who did not speak are as follows: 1 in support of House Bill No. 65; 60 in opposition to House Bill No. 65; and 16 to provide information only if requested. Witness cards are included in the committee records.

IV. OTHER BUSINESS

There was no other business.

V. ANNOUNCEMENTS

There were no announcements.

VI. ADJOURNMENT

The meeting was adjourned at 12:41 p.m.

Respectfully submitted,

Chairman J. Kevin Pearson
House Committee on Retirement

Date adopted: