

House Committee on Retirement

Minutes of Meeting
2018 Regular Session
March 15, 2018

I. CALL TO ORDER

Representative J. Kevin Pearson, chairman of the House Committee on Retirement, called the meeting to order at 9:39 a.m. in Room 4, in the state capitol in Baton Rouge, Louisiana.

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, vice chairman
Representative Gregory A. Miller

MEMBERS ABSENT:

None

STAFF MEMBERS PRESENT:

Jennifer Watson, secretary
Bryan D. Vincent, director

ADDITIONAL ATTENDEES PRESENT:

Paul Richmond, actuarial services manager, office of the legislative auditor
Myrtis Jarrell, sergeant at arms

III. OTHER BUSINESS

Adoption of minutes of the House Committee on Retirement from the 2017 Regular Session dated April 27, May 11, and May 24, 2017

Representative Bacala offered a motion to approve minutes of the House Committee on Retirement from the 2017 Regular Session dated April 27, May 11, and May 24, 2017. Without objection, the minutes were adopted by a vote of 7 yeas and 0 nays. Representatives Pearson, Abraham, Bacala, Carpenter, Ivey, Jones, and Gregory Miller voted yea.

IV. DISCUSSION OF LEGISLATION

Vice chairman Sam Jones in the chair.

House Bill No. 34 by Representative Pearson

Representative Pearson presented House Bill No. 34, which provides relative to the use of terror-free index funds by the state and statewide retirement systems.

Charles Bujol, Louisiana School Employees' Retirement System, 8660 United Plaza Blvd., Baton Rouge, LA 70809, (225) 925-6486, spoke for information only on House Bill No. 34.

Matt Freedman, Louisiana School Employees' Retirement System, 8660 United Plaza Blvd., Baton Rouge, LA 70809, spoke for information only on House Bill No. 34.

Representative Ivey offered a motion to report House Bill No. 34 favorably. Without objection, House Bill No. 34 was reported favorably by a vote of 8 yeas and 0 nays. Representatives Pearson, Abraham, Bacala, Carpenter, Hollis, Ivey, Jones, and Gregory Miller voted yea.

Witness cards submitted by individuals who did not speak are as follows: 1 in support and 4 for information only. Witness cards are included in the committee records.

House Bill No. 26 by Representative Pearson

Representative Pearson presented House Bill No. 26, which provides for participation by certain entities in the Municipal Employees' Retirement System of Louisiana.

Representative Pearson offered amendments to change retroactive application from the Morehouse Sales and Use Tax Commission to the Sabine Parish Sales and Use Tax Commission.

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, Hollis, Ivey, Jones, and Gregory Miller voted yea.

Warren Ponder, Municipal Employees' Retirement System, 7937 Office Pk., Baton Rouge, LA 70809, (225) 925-4810, spoke for information only on House Bill No. 26.

Nick Felton, New Orleans Fire Fighters, no address provided, spoke in support of House Bill No. 26.

Greg Curran, actuary, 10555 N. Glenstone Pl., Baton Rouge, LA 70810, (225) 769-4825, spoke for information only on House Bill No. 26.

Representative Bacala offered a motion to report House Bill No. 26 with amendments. Without objection, House Bill No. 26 was reported with amendments by a vote of 6 yeas and 0 nays. Representatives Pearson, Abraham, Bacala, Hollis, Ivey, and Jones voted yea.

Witness cards submitted by individuals who did not speak are as follows: 1 in support. Witness cards are included in the committee records.

House Bill No. 27 by Representative Pearson

Representative Pearson presented House Bill No. 27, which provides for computation of a supplemental benefit for reemployed retirees of the Municipal Employees' Retirement System of Louisiana.

Warren Ponder, Municipal Employees' Retirement System, 7937 Office Pk., Baton Rouge, LA 70809, (225) 925-4810, spoke for information only on House Bill No. 27.

Representative Bacala offered a motion to report House Bill No. 27 favorably. Without objection, House Bill No. 27 was reported favorably by a vote of 7 yeas and 0 nays. Representatives Pearson, Abraham, Bacala, Hollis, Ivey, Jones, and Gregory Miller voted yea.

House Bill No. 28 by Representative Pearson

Representative Pearson presented House Bill No. 28, which provides for the vesting period for members of the Municipal Employees' Retirement System of Louisiana.

Warren Ponder, Municipal Employees' Retirement System, 7937 Office Pk., Baton Rouge, LA 70809, (225) 925-4810, spoke for information only on House Bill No. 28.

Representative Bacala offered a motion to report House Bill No. 28 favorably. Without objection, House Bill No. 28 was reported favorably by a vote of 6 yeas and 0 nays. Representatives Pearson, Abraham, Bacala, Ivey, Jones, and Gregory Miller voted yea.

House Bill No. 29 by Representative Pearson

Representative Pearson presented House Bill No. 29, which provides for the optional selection of payment of survivor benefits for a surviving spouse of a member of the Municipal Employees' Retirement System of Louisiana.

Warren Ponder, Municipal Employees' Retirement System, 7937 Office Pk., Baton Rouge, LA 70809, (225) 925-4810, spoke for information only on House Bill No. 29.

Greg Curran, actuary, 10555 N. Glenstone Pl., Baton Rouge, LA 70810, (225) 769-4825, spoke for information only on House Bill No. 29.

Representative Bacala offered a motion to report House Bill No. 29 favorably. Without objection, House Bill No. 29 was reported favorably by a vote of 7 yeas and 0 nays. Representatives Pearson, Abraham, Bacala, Hollis, Ivey, Jones, and Gregory Miller voted yea.

House Bill No. 30 by Representative Pearson

Representative Pearson presented House Bill No. 30, which provides for the definitions of minor child and disability relative to the Municipal Employees' Retirement System of Louisiana.

Warren Ponder, Municipal Employees' Retirement System, 7937 Office Pk., Baton Rouge, LA 70809, (225) 925-4810, spoke for information only on House Bill No. 30.

Representative Bacala offered a motion to report House Bill No. 30 favorably. Without objection, House Bill No. 30 was reported favorably by a vote of 7 yeas and 0 nays. Representatives Pearson, Abraham, Bacala, Hollis, Ivey, Jones, and Gregory Miller voted yea.

House Bill No. 31 by Representative Pearson

Representative Pearson presented House Bill No. 31, which provides for the benefit payable to retired member of the Municipal Employees' Retirement System of Louisiana upon death of beneficiary.

Warren Ponder, Municipal Employees' Retirement System, 7937 Office Pk., Baton Rouge, LA 70809, (225) 925-4810, spoke for information only on House Bill No. 31.

Greg Curran, actuary, 10555 N. Glenstone Pl., Baton Rouge, LA 70810, (225) 769-4825, spoke for information only on House Bill No. 31.

Representative Bacala offered a motion to report House Bill No. 31 favorably. Without objection, House Bill No. 31 was reported favorably by a vote of 7 yeas and 0 nays. Representatives Pearson, Abraham, Bacala, Hollis, Ivey, Jones, and Gregory Miller voted yea.

House Bill No. 32 by Representative Pearson

Representative Pearson presented House Bill No. 32, which provides for the Deferred Retirement Option Plan participation period for a member of the Municipal Employees' Retirement System of Louisiana.

Warren Ponder, Municipal Employees' Retirement System, 7937 Office Pk., Baton Rouge, LA 70809, (225) 925-4810, spoke for information only on House Bill No. 32.

Representative Bacala offered a motion to report House Bill No. 32 favorably. Without objection, House Bill No. 32 was reported favorably by a vote of 7 yeas and 0 nays. Representatives Pearson, Abraham, Bacala, Hollis, Ivey, Jones, and Gregory Miller voted yea.

House Bill No. 33 by Representative Pearson

Representative Pearson presented House Bill No. 33, which provides for the payment of unfunded accrued liability by employers eliminating positions covered by the Municipal Employees' Retirement System of Louisiana.

Warren Ponder, Municipal Employees' Retirement System, 7937 Office Pk., Baton Rouge, LA 70809, (225) 925-4810, spoke for information only on House Bill No. 33.

Greg Curran, actuary, 10555 N. Glenstone Pl., Baton Rouge, LA 70810, (225) 769-4825, spoke for information only on House Bill No. 33.

Representative Gregory Miller offered a motion to report House Bill No. 33 favorably. Without objection, House Bill No. 33 was reported favorably by a vote of 7 yeas and 0 nays. Representatives Pearson, Abraham, Bacala, Hollis, Ivey, Jones, and Gregory Miller voted yea.

House Bill No. 38 by Representative Hollis

Representative Hollis presented House Bill No. 38, which provides for the formula for distribution of benefit increases.

Nannette Menou, Louisiana Assessors' Retirement Fund, P.O. Box 14699, Baton Rouge, LA 70898-4699, (225) 928-8886, spoke for information only on House Bill No. 38.

Katherine Bertrand, Louisiana Assessors' Retirement Fund, P.O. Box 14699, Baton Rouge, LA 70898-4699, (225) 928-8886, spoke for information only on House Bill No. 38.

Representative Ivey offered a motion to report House Bill No. 38 favorably. Without objection, House Bill No. 38 was reported favorably by a vote of 7 yeas and 0 nays. Representatives Pearson, Abraham, Bacala, Hollis, Ivey, Jones, and Gregory Miller voted yea.

Witness cards submitted by individuals who did not speak are as follows: 1 for information only. Witness cards are included in the committee records.

Chairman Pearson in the chair.

House Bill No. 8 by Representative Ivey

Representative Ivey presented House Bill No. 8, which provides relative to the reemployment of retirees of the Clerks' of Court Retirement and Relief Fund.

Representative Ivey offered amendments to change the reemployment period provided by proposed law from 90 days to 630 hours. Representative Ivey offered a motion to adopt the proposed amendments. Without objection, the amendments were adopted by a vote of 7 yeas and 0 nays. Representatives Pearson, Abraham, Bacala, Hollis, Ivey, Jones, and Gregory Miller voted yea.

Representative Bacala offered a motion to report House Bill No. 8 with amendments. Without objection, House Bill No. 8 was reported with amendments by a vote of 7 yeas and 0 nays. Representatives Pearson, Abraham, Bacala, Hollis, Ivey, Jones, and Gregory Miller voted yea.

Witness cards submitted by individuals who did not speak are as follows: 1 in support. Witness cards are included in the committee records.

House Bill No. 9 by Representative Ivey

Representative Ivey presented House Bill No. 9, which provides for definitions relative to rollovers of sums to the Firefighters' Retirement System from other qualified plans under the provisions of the Internal Revenue Code.

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 7 yeas and 0 nays. Representatives Pearson, Abraham, Bacala, Hollis, Ivey, Jones, and Gregory Miller voted yea.

Representative Bacala offered a motion to report House Bill No. 9 with amendments. Without objection, House Bill No. 9 was reported with amendments by a vote of 7 yeas and 0 nays. Representatives Pearson, Abraham, Bacala, Hollis, Ivey, Jones, and Gregory Miller voted yea.

Witness cards submitted by individuals who did not speak are as follows: 1 for information only. Witness cards are included in the committee records.

House Bill No. 10 by Representative Ivey

Representative Ivey presented House Bill No. 10, which provides for the payment of refunded contributions to members of the Firefighters' Retirement System.

Representative Ivey offered amendments to create an increased survivor benefit for the surviving spouse and children of a member of the system who is also a commissioned law enforcement officer killed by an intentional act of violence while engaged in the discharge of his law enforcement duties.

Representative Ivey offered a motion to adopt the proposed amendments. Without objection, the amendments were adopted by a vote of 7 yeas and 0 nays. Representatives Pearson, Abraham, Bacala, Hollis, Ivey, Jones, and Gregory Miller voted yea.

Representative Ivey offered a motion to report House Bill No. 10 with amendments. Without objection, House Bill No. 10 was reported with amendments by a vote of 7 yeas and 0 nays. Representatives Pearson, Abraham, Bacala, Hollis, Ivey, Jones, and Gregory Miller voted yea.

Witness cards submitted by individuals who did not speak are as follows: 1 in support, and 1 for information only. Witness cards are included in the committee records.

House Bill No. 40 by Representative Ivey

Representative Ivey presented House Bill No. 40, which allows members of the Firefighters' Retirement System to allocate Deferred Retirement Option Plan funds between two separate interest bearing accounts.

Steven Stockstill, Firefighters' Retirement System, 3100 Brentwood Dr., Baton Rouge, LA, 70809 (225)925-4060 spoke for information only on House Bill No. 40.

Representative Ivey offered amendments to:

1. Add a requirement that election to earn the system's investment interest be made prior to the end of the participation period.

2. Reinststate present law requirement that a plan participant may not change his original benefit option election.
3. Allow a current or past DROP participant to allocate the balance of his account as provided by proposed law.
4. Allow a current or past DROP participant to convert his account balance to a true annuity as provided by present law.
5. Add an effective date.

Representative Ivey offered a motion to adopt the proposed amendments. Without objection, the amendments were adopted by a vote of 7 yeas and 0 nays. Representatives Pearson, Abraham, Bacala, Hollis, Ivey, Jones, and Gregory Miller voted yea.

Representative Bacala offered a motion to report House Bill No. 40 with amendments. Without objection, House Bill No. 40 was reported with amendments by a vote of 7 yeas and 0 nays. Representatives Pearson, Abraham, Bacala, Hollis, Ivey, Jones, and Gregory Miller voted yea.

House Bill No. 41 by Representative Ivey

Representative Ivey presented House Bill No. 41, which provides relative to the fiduciary relationship between the Firefighters' Retirement System and its investment advisors.

Steven Stockstill, Firefighters' Retirement System, 3100 Brentwood Dr., Baton Rouge, LA, 70809, (225) 925-4060, spoke for information only on House Bill No. 41.

Representative Abraham offered a motion to report House Bill No. 41 favorably. Without objection, House Bill No. 41 was reported favorably by a vote of 7 yeas and 0 nays. Representatives Pearson, Abraham, Bacala, Hollis, Ivey, Jones, and Gregory Miller voted yea.

V. ANNOUNCEMENTS

There were no announcements.

VI. ADJOURNMENT

The meeting was adjourned at 11:57 a.m.

Respectfully submitted,

Chairman J. Kevin Pearson
House Committee on Retirement

Date adopted: