

**Louisiana State Employees' Retirement System  
Legislative Committee Meeting  
June 22, 2017**

The Legislative Committee of the Louisiana State Employees' Retirement System met on Thursday, June 22, 2017 in the fourth floor conference room of the Retirement Systems Building located at 8401 United Plaza Boulevard, Baton Rouge, Louisiana.

Judge William Kleinpeter, Chair of the Committee, called the meeting to order at 11:23 a.m. Roll was called by Abby Partin, recording secretary.

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**Members Present:** Mr. Thomas Bickham, Ms. Virginia Burton, Ms. Beverly Hodges, Judge William Kleinpeter, Mr. Rick McGimsey (designee of the Commissioner), Representative Kevin Pearson, Ms. Lori Pierce, Ms. Kathy Singleton, Ms. Shannon Templet, Ms. Lorry Trotter

**Members Absent:** Ms. Janice Lansing, Treasurer Ron Henson, Senator Barrow Peacock

**Staff Present:** Ms. Cindy Rougeou, Executive Director; Ms. Maris LeBlanc, Deputy Director and Chief Operating Officer; Mr. Trey Boudreaux, Chief Administrative Officer; Ms. Tina Grant, Executive Counsel; Ms. Tricia Gibbons, Retirement Benefits Administrator; Mr. Artie Fillastre, Chief Fiscal Officer; Ms. Tonja Normand; Public Information Director; Mr. Ryan Babin, Audit Director; Mr. Trey Roche, Chief Risk Officer and Special Counsel; Ms. Amanda Celestine, Executive Management Officer; Ms. Abby Partin, recording secretary

**Also Present:** Ms. Margaret Corley, Senate Retirement Committee Attorney; Ms. Annie Smith, House Retirement Committee Attorney; and Mr. Frank Jobert, RSEA

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A quorum was declared present and the meeting opened for business.

**Public Comment**

Judge Kleinpeter called for public comment. There were no public comments.

## **Regular Business**

Judge Kleinpeter called for approval of the minutes of the May 19, 2017 Legislative Committee meeting. **Mr. Bickham moved, seconded by Ms. Templet, to approve the minutes. With no objection or discussion, the motion carried.**

## **New Business**

Ms. LeBlanc gave a status update on the bills tracked this session that passed.

### **HB 33 (Pearson)**

#### **Position Taken: Neutral**

Clarifies that the Chairs of the House and Senate Retirement Committees may each authorize legislative staff to attend executive sessions of state and statewide retirement system board meetings. The Conference Committee report added a restriction to provide that a person found in violation of the Ethics Code concerning the misuse of public funds shall not be eligible to serve on a retirement system board of trustees.

### **HCR 46 (Pearson)**

Authorizes and directs the Louisiana State Law Institute to direct the printer of the Louisiana Revised Statutes to stop printing unconstitutional statutory language relative to the cash balance plan for some state retirement systems.

### **SB 8 (Peacock) Act 285**

#### **Position Taken: Support**

Provides for correction of membership enrollment errors. Within 30 days of discovery of the error, the process of correction must be initiated. The employer must pay any amount necessary to the correct retirement system to provide service credit if the amount transferred is insufficient. The accrual rate of the correct system is used to calculate the employee's benefit.

### **SR 123 (Milkovich)**

Urges and requests each state retirement system to post on its website the reports provided pursuant to Senate Resolution No. 175 of the 2005 Regular Session of the Legislature.

### **SCR 22 (Mizell)**

Memorializes congress to consider eliminating the Windfall Elimination Provision (WEP) and the Government Pension Offset (GPO) Social Security benefit reductions.

She updated the committee on other instruments tracked by LASERS that did not pass.

### **HB 55 (Carter)**

(Constitutional Amendment) Removes the prohibition related to the imposition of an additional tax or license on gas, authorizes the levy of a tax, fee, permit, or license on natural gas transported in Louisiana, and creates the Fair Share Fund (the Fair Share Fund may provide additional funds for payments against the UAL).

### **HB 456 (Abramson)**

Provides for calling a limited constitutional convention. At one point, the bill included changes to the retirement system as part of the subject matter of the convention.

**HB 685 (Hodges); Substitute for HB 549**

Louisiana Deferred Compensation Plan - prohibits mandated investment by participants in companies that boycott Israel and provides for membership of the Louisiana Deferred Compensation Commission and duties of the state treasurer.

**SR 39 (Milkovich)**

To urge and request each state retirement system to provide comprehensive quarterly reports to the Senate Committee on Retirement detailing the amount of funds invested, a listing of each investment and with whom, the returns on each investment and the fees paid by the system for services related to that investment for the quarter and for the plan year to date, the methodology by which the fees are calculated, and to whom paid, commencing with the quarter beginning on July 1, 2017. For all private assets, the reported methodology shall not include any proprietary or trade secret information. This shall replace the reporting required pursuant to Senate Resolution No. 175 of the 2005 Regular Session of the Legislature.

**SB 11 (Peacock)**

Provides for the merger of TRSL and LSERS.

**SB 223 (Riser)**

Prohibits investment fund managers from investing the state's special funds monies in companies and in nations that support terrorism or in companies that boycott Israel.

**Other Legislation of Interest:**

**HB 90 (Danahay) Act 30**

Creates an exception to the Code of Governmental Ethics to allow public servants to accept donations from non-profits organizations in the case of a gubernatorially declared disaster or emergency, not to exceed the value of \$25,000. The organization making the donation must meet certain criteria and file reports with the Ethics Board.

**HB 132 (Edmonds)**

Requires reporting to the Joint Legislative Committee on the Budget on changes to the initial allocation of expenditures or transfers of funds between categories of expenditures if the amount of the change exceeds \$50,000 or there is are cumulative changes exceeding \$100,000.

**SR 171 (Riser)**

Requests the legislative auditor to study the feasibility and possible savings to the taxpayers if the state of Louisiana were to purchase a traditional fully insured private health insurance plan for state employees instead of continuing the current self-insured health plan administered by a third-party administrator.

Ms. LeBlanc informed the committee that given the limited changes to the law, a law book will not be produced this year.

**Other Business**

No further business was discussed.

**Adjournment**

The meeting adjourned at 11:35 a.m.