

**Louisiana State Employees' Retirement System  
Legislative Committee Meeting  
March 25, 2021**

The Legislative Committee of the Louisiana State Employees' Retirement System met on Thursday, March 25, 2021 in the fourth floor Board Room of the Retirement Systems Building located at 8401 United Plaza Boulevard, Baton Rouge, Louisiana.

Mr. Charles Castille, Committee Chair, called the meeting to order at 3:25 p.m. Roll was called by Ms. Beth Labello, recording secretary.

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Members present: Mr. Thomas Bickham, Ms. Virginia Burton, Mr. Charles Castille, Ms. Beverly Hodges, Judge William Kleinpeter, Ms. Janice Lansing, Ms. Amy Mathews (designee of the Treasurer), Mr. Rick McGimsey (designee of the Commissioner), Ms. Barbara McManus, Senator Barrow Peacock, Ms. Lori Pierce, and Ms. Shannon Templet

Members absent: Representative Lance Harris

Staff present: Ms. Cindy Rougeou, Executive Director; Mr. Trey Boudreaux, Chief of Staff; Ms. Tina Grant, Executive Counsel; Mr. Bobby Beale, Chief Investment Officer; Ms. Tricia Gibbons, Retirement Benefits Administrator; Mr. Ryan Babin, Audit Director; Mr. Dan Bowden, IT Director; Mr. Steve Stark, Deputy General Counsel; Ms. Morgan Robertson, Attorney; Ms. Megan Jones, Retirement Benefits Supervisor; Ms. Mallory Sharp, Public Information Officer; Mr. Logan Davis, IT Technical Support Analyst; Ms. Amanda Celestine, Executive Management Officer; and Ms. Beth Labello, recording secretary

Also present: Ms. Shelley Johnson, Foster & Foster; Mr. Frank Jobert, RSEA; Ms. Margaret Corley, Louisiana Senate Retirement Committee; Mr. Joey David, Louisiana House Retirement Committee; Ms. Katherine Whitney, TRSL; and Mr. Douglas Swenson, TRSL

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

**Public Comment**

Mr. Castille called for public comment. No public comments were made.

## **Regular Business**

Mr. Castille called for approval of the minutes of the February 27, 2020 Legislative Committee meeting. **Judge Kleinpeter moved, seconded by Ms. Mathews, to approve the minutes. With no objection or discussion, the motion carried.**

## **New Business**

Ms. Grant and Ms. Rougeou gave an update on the bills LASERS is tracking for the 2021 Regular Session of the Legislature, which begins on April 12, 2021.

### **SB 22 – Peacock**

**Systems Impacted:** LASERS, TRSL & LSERS

Provides relative to retirement eligibility for certain new members of LASERS, TRSL & LSERS

- Referred to Senate Retirement

Ms. Rougeou explained that this bill would change the retirement eligibility for state employees hired on or after July 1, 2021 – including judges, but not HazPlan. New eligibility requirements would be five years of service at the greater age of 67, or the age of retirement set by Social Security; or forty years of service at age 62; or twenty years of service at any age, actuarially reduced from age 67.

Ms. Rougeou explained that increasing the age of eligibility will have no impact on the UAL. She also noted a few differences in LASERS retirement plans and Social Security, including:

- LASERS rank and file employees pay a higher contribution rate than Social Security participants – LASERS average contribution rate is 8%; Social Security's contribution rate is 6.2%.
- There is a COLA discrepancy in the two systems.
- Private sector employees with a 401(k) can access their funds while actively employed; state employees must terminate employment to access deferred compensation funds.
- There is a disparity in Social Security and LASERS actuarial benefit reductions.
- If for some reason state employees cannot work until age 67, they may lose their health insurance coverage.

Mr. Castille and Ms. Templet expressed concern on how this bill would not only affect future retirees, but also how it would affect the ability for state agencies to attract well qualified candidates to state employment.

Senator Peacock explained that for long term affects for the state, this bill is intended to reform state retirement age to the age of Social Security due to employees living longer.

**After discussion, Mr. Castille moved, seconded by Ms. Pierce, to oppose SB 22 by Sen. Peacock. Senator Peacock objected. Ms. Mathews abstained from voting. With no further discussion, the motion carried.**

**SB 24 – Price****Systems Impacted:** LASERS, TRSL, LSERS & STATE POLICE

Provides relative to a Cost of Living Adjustments (COLA) and for related matters.

- Referred to Senate Retirement

Ms. Grant explained that this is a minimum COLA bill, which will increase eligible members' monthly benefit to \$1,450, which is the federal poverty limit for a family of two.

**Mr. Castille moved, seconded by Judge Kleinpeter, to support SB 24 by Sen. Price. With no objection or discussion, the motion carried.**

**HB 19 – Mack****Systems Impacted:** LASERS

Provides relative to the selection of certain optional survivor benefits for members of the Louisiana State Employees' Retirement System.

- Referred to House Retirement

Ms. Grant explained that this bill provides another survivor's option for members with mentally disabled children. She also explained that there is already a survivor benefit in place for physically or mentally disabled children. Ms. Grant recommended that the Committee take no position on the bill at this time, until further research can be conducted.

**Mr. Castille moved, seconded by Ms. McManus, to take no position on HB 19 by Rep. Mack. With no objection or discussion, the motion carried.**

**Other Business**

There was no further business to discuss.

**Adjournment**

The meeting adjourned at 4:09 p.m.