

## THE BEAM

MEMBERSHIP NEWSLETTER

The LASERS Vision: *Confidence in our service, assuring financial security for your future.*

## 2022 Legislative Session: LASERS TRACKING RETIREMENT BILLS



The 2022 Regular Session of the Louisiana Legislature convened March 14. The retirement bills listed on page 2 would impact LASERS if passed. The LASERS Board of Trustees took official positions on the legislation at its recent meetings. The 2022 Session must end by June 6.



Photo Credit: Debora Reid-Palmer, Active Member

### ONLINE RESOURCES FOR KEEPING UP WITH RETIREMENT BILLS

The **LASERS website** ([lasersonline.org](http://lasersonline.org)) is updated daily throughout the Legislative Session. The LASERS staff continuously monitors proposed measures that would impact the System. You will also find the Board positions on legislation and dates of upcoming committee meetings.

The **Louisiana State Legislature Website** ([legis.la.gov](http://legis.la.gov)) provides in-depth details on legislation, daily meeting schedules, and links to watch committee meetings live. This is one of your best resources for staying in-the-know.

LASERS also provides timely updates on bills impacting the System through our **emails, Facebook, and Twitter.**



Sign up for emails at  
[www.lasersonline.org/media/member-connection](http://www.lasersonline.org/media/member-connection)



[facebook.com/laserspension](https://facebook.com/laserspension)



[twitter.com/laserspension](https://twitter.com/laserspension) ■

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318.741.7180

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225.644.6738

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225.342.0055

# 2022 RETIREMENT BILLS IMPACTING LASERS

## SB 5 – Price

**Position Taken:** *Support*

**Systems Impacted:** LASERS

As currently written, provides a one-time supplemental payment to eligible LASERS retirees. See page 3 for details.

## SB 438 – Price, Rep. Bacala

**Position Taken:** *Support*

**Systems Impacted:** LASERS

Creates a new retirement plan with a Defined Benefit (DB) foundation and a Defined Contribution (DC) add-on. This bi-partisan bill is LASERS-specific. This new plan would be for LASERS rank-and-file members hired on or after January 1, 2024. The plan does include a provision allowing the new hires to opt-in to the traditional DB plan within two years of hire.

## HB 19 – DeVillier

**Position Taken:** *Support*

**Systems Impacted:** LASERS, FRS

Provides relative to membership in LASERS Hazardous Duty Services Plan by adding employees of the Office of the State Fire Marshal who are Firefighter I certified, and who provide emergency response, or who conduct fire and emergency training to the LASERS Haz Plan.

## HB 25 – McCormick

**Position Taken:** *Oppose*

**Systems Impacted:** Statewide

Prohibits retirement systems from investing in companies that do not do business with or invest in energy companies. The Board voted to oppose **HB 25** because it could restrict investment opportunities and interfere with the Trustees fiduciary duty.

## HB 29 – Nelson

**Position Taken:** *Support*

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

Proposes a constitutional amendment that, if approved by voters on November 8, 2022, would require a minimum of 50 percent of all nonrecurring state revenues be applied to the Unfunded Accrued Liabilities (UALs) of LASERS, TRSL, LSERS, and LSPRS beginning in FY 23-24.

## HB 31 – Tarver, P.

**Position Taken:** *Support*

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

Proposes a constitutional amendment that, if approved by voters on November 8, 2022, would direct nonrecurring state revenue funds to provide a nonrecurring lump sum payment to eligible retirees of the systems. The appropriation for such benefit

would be a total of either \$50 million or the balance of nonrecurring funds after allocations are made against Unfunded Accrued Liabilities (UALs) and for the Budget Stabilization Fund, whichever is less.

## HB 32 – Tarver, P.

**Position Taken:** *Support*

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

Requires the Public Retirement Systems' Actuarial Committee (PRSAC) to report to the legislature regarding the number of retirees who are eligible for the supplemental benefit provided for by **HB 31**.

## HB 592 – Zeringue

**Position Taken:** *Support*

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

Makes supplemental appropriations for Fiscal Year 2021-2022 – allocates an additional \$21.8 million to LASERS to apply to the balance of the Unfunded Accrued Liability.

## HCR 11 – Johnson

**Position Taken:** *Support*

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

Urges and requests the legislatures of each state of the United States to pass similar resolutions calling upon Congress to support actions as necessary to review and eliminate the Windfall Elimination Provision (WEP) and Government Pension Offset (GPO).



*In March, Executive Counsel Tina Grant and Attorney Morgan Robertson (front) represented LASERS in a delegation of eight Louisianans in Washington, D.C. to discuss the hardships created by the WEP and GPO for public retirement system members.*





Two important LASERS-supported retirement bills are proposed for the 2022 Legislative Session. If passed, one will positively impact retirees and the other, future state employees. The LASERS Board of Trustees, legislators, and staff have worked diligently to craft both bills to benefit our members. Below

is an explanation of why the legislation is significant to the System and our current and future retirees.

## One-Time Supplemental Payment Bill

As currently written, **SB 5**, sponsored by Sen. Ed Price, would authorize a **one-time** nonrecurring supplemental payment, funded by the System's Experience Account to certain retirees and beneficiaries. The payment would be equal to the **lesser** of:

- The retiree or beneficiary's current monthly benefit.
- \$3,000.

**Why is LASERS supporting SB 5?** The average rank-and-file retiree has not received a Cost-of-Living Adjustment (COLA) since 2016. The Experience Account does not have enough funds to provide a typical COLA, but we are able to provide some relief in the form of a one-time supplemental payment.

**Who is eligible for the one-time payment?** All retirees and beneficiaries who would qualify for a normal COLA are eligible. The following requirements must be met as of June 30, 2022, to qualify:

- Retired for at least one year; and,
- At least 60 years of age.

The LASERS staff estimates that this will impact almost 46,000 retirees and beneficiaries. The average one-time payment per eligible retiree or beneficiary is expected to be about \$1,846. Members would see relief **no later than September 15, 2022**, if the proposed legislation passes.

For more details about the one-time supplemental payment, visit <https://lasersonline.org/one-time-payment/>.

## LASERS-Specific New Retirement Plan Bill

**SB 438** would create a new LASERS-specific retirement plan. The bill is intended to be a bi-partisan measure sponsored by Sen. Ed Price and Rep. Tony Bacala and supported by Governor John Bel Edwards and LASERS Board of Trustees. The plan is designed to better meet the needs of a new generation of rank-and-file members, ensure a secure benefit for those who will choose to retire

from state service, and at the same time reduce the risk of future unfunded accrued liability (UAL).

This new plan would apply to those LASERS rank-and-file members hired on or after January 1, 2024. Benefits for current employees will not be impacted. **The proposed plan will have no negative impact on the funding of benefits or cost-of-living adjustments for our current members.**

The current plan available to LASERS new rank-and-file members is very different from the one that was in place for members hired before July 1, 2006. Our research shows that the current plan will not provide retirement security for the vast majority of these new hires. LASERS actuary has concluded that only 2.5 percent of members in our current rank-and-file plan for new hires will actually stay in the System long enough to receive a full unreduced retirement benefit. In fact, we expect that 70 percent will leave state service before retirement eligibility and receive only a refund of their employee contributions. During that period of state service, those members will also not have earned any credit in Social Security.

## The objectives of the new plan are to:

- Provide retirement security for career members with a benefit comparable to or greater than the current plan benefit.
- A guaranteed COLA.
- Reduce risk of future Unfunded Accrued Liability (UAL).
- Increase the predictability of employer cost.
- Continue to provide an accruing benefit at less cost than that of Social Security.

The foundation of the new plan is a defined benefit that includes an income replacement ratio comparable to Social Security. Added onto the defined benefit foundation is a defined contribution component. At the time of retirement, the two components will be combined and annuitized by LASERS to provide a guaranteed lifetime monthly benefit. For those members choosing not to retire from LASERS, the defined contribution component offers portability, as well as an opportunity to leave state service with all or part of the funds that have accrued in their defined contribution account.

If passed, the new proposal would provide retirement security for a new generation of retirees. **It will have no negative impact on the sustainability of our System. On the contrary, reducing the risk of future UAL will benefit both the System and the State.**

For specific information about the new plan, including the opt-out provision, built-in COLAs, portability, disability, survivor benefits, and various options at retirement, visit [www.lasersonline.org/new-plan](http://www.lasersonline.org/new-plan). ■

# Celebrating

20 YEARS [AT LASERS]



**SHEILA METOYER**  
[HUMAN RESOURCES]



**TRICIA GIBBONS**  
[MEMBER SERVICES]

10 YEARS [AT LASERS]



**DEMETRIA ALLEN**  
[LEGAL]



**DONALD "MONTY" ALLEN**  
[MEMBER SERVICES]



**MALLORY SHARP**  
[PUBLIC INFORMATION]



**TONJA NORMAND**  
[PUBLIC INFORMATION]



## RSEA HOSTS STATEWIDE "VIRTUAL" CHAPTER MEETING

This year, RSEA hosted its annual statewide chapter tour virtually. A live webinar was recorded and will be available on the RSEA website.

Visit the LASERS website for Cindy Rougeou's presentation and important member resources. ■

## SUSPICIOUS EMAIL RECENTLY SENT TO MEMBERS

In case you missed our Member Connection alert, **be aware that a suspicious email** with this headline grabber, *Do You Fully Understand Your State Retirement*, may have been sent to your inbox. The email sender could appear as Employee Benefits. The text of the email may reference Retire Trak or Rosier Benefits & Financial Services.

**If you received this email, it was sent by an organization that has NO affiliation with LASERS. As of this printing, only four members have reported receiving the email.**

**Please be aware that LASERS is your contact should you have questions about YOUR state retirement benefits. LASERS administers the defined benefit retirement plan for state employees.**

Please consult the *LASERS Member's Guide to Retirement* if you have questions about DROP, Deferred Compensation, Social Security Offsets, and other topics concerning retirement planning and benefits.

If you have questions for us, email [Ask LASERS](#). Alternatively, you may call us at 800.256.3000 (toll-free) or 225.922.0600 (local). If you are contacted through regular mail, email, or by phone and suspect the communication is not from LASERS, please report it through Ask LASERS. ■

# THE BOARD MEMO



**Judge William Kleinpeter, 2022 Board Chair**

I am honored to serve as the new Board Chair for 2022 and to welcome our new Trustees. Newly elected active members are **Byron P. Decoteau, Jr.**, Director of the Louisiana Department of State Civil Service, **Ternisa Hutchinson**, State Director of Planning

& Budget with the Division of Administration, and **Amy A. Mathews**, Investment Manager for the State General Fund & Trust Funds with the Louisiana Department of the Treasury. **Barbara McManus** is returning to fill the one open retiree position for another term. Those beginning new terms were sworn in at the January Board meeting.

It is always exciting to welcome new Board members as they bring fresh perspectives, enthusiasm, and different agency experiences to share with us. However, together we have a common goal, and that is to uphold the LASERS mission "to provide a sound retirement plan for our members through prudent management and exceptional service."

At the end of December, three dedicated Trustees left the Board due to term-limits. Beverly Hodges, Janice Lansing, and Lori Pierce have our gratitude for their 12 years of service to the retirement system and our members. We will miss these ladies and wish them well!

## **Over the next year, I will continue to focus on four significant Board issues:**

- Identification and implementation of a legislatively enacted mechanism for the funding and granting of an annual cost-of-living adjustment for eligible system retirees in a reliable and dependable manner;
- Preservation of the defined benefit plan for current and future LASERS members;
- Preservation of Board autonomy as well as its primary composition of elected active and retired members;
- Seek the reduction or elimination of the federal offsets, the Windfall Elimination Provision (WEP) and the Government Pension Offset (GPO); while continuing to oppose mandatory Social Security participation. ■

## **BOARD WELCOMES REPRESENTATIVE DEVILLIER**

**Representative Phillip DeVillier**, Chair of the House Retirement Committee, is our newest ex officio member, replacing Representative Lance Harris. Rep. DeVillier represents District 41 and is from Eunice. ■



## *New Chair & Vice Chair Elected*

At its January meeting, the Board of Trustees elected **Judge William Kleinpeter** and **Shannon Templet** as new Chair and Vice Chair, respectively.

Judge Kleinpeter has served since 1991 as judge with the City Court of Port Allen. He previously chaired the LASERS Board in 2016, led the Legislative Committee for six years, and most recently, the Investment Committee. Judge Kleinpeter is well-prepared to serve as Chair in 2022.

Templet is the Director of Human Resources of the House of Representatives and has served as an active member LASERS Trustee since 2012. She has held key positions during her tenure as a Trustee and is an asset as Vice Chair this year. ■

## *Trustees Earn Required Educational Credit*

Trustees attended our annual workshop in January to earn required educational hours for the Board. Presentations included actuarial science; fiduciary duty; the laws, rules and regulations that govern the System; and many investment education sessions. The information provided will benefit each Trustee over the next year. Special thanks to the LASERS staff and our investment partners for providing such excellent training. ■





## Get the Numbers

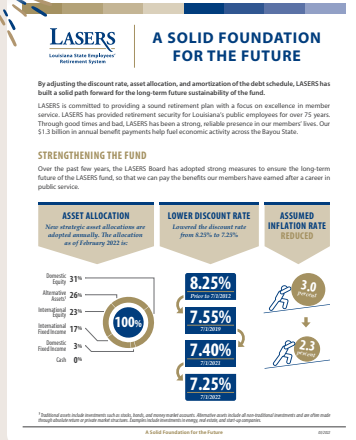
### Investment Performance

Investment performance summaries are updated monthly on our website at [lasersonline.org/investments/performance](http://lasersonline.org/investments/performance).

View our investments actual asset allocation and target allocation by clicking on the *Asset Allocation* tab. ■

### A Solid Foundation for the Future

NEW!



Our new report, *A Solid Foundation for the Future*, is now available on our website. This document gives a snapshot of the System in an easy-to-understand format.

The numbers show that by lowering the discount rate, adopting new strategic asset allocations annually, reducing the assumed inflation rate, improving efficiency, and reducing operational costs, the **sustainability of the LASERS fund will continue to strengthen for decades to come.** ■

# ATTENTION RETIRED MEMBERS

## MARK YOUR CALENDAR: IMPORTANT BENEFIT PAYMENT INFORMATION

The **May 1, 2022** benefit payment date falls on a Sunday, which could affect receipt of your funds.

Direct deposits are guaranteed to be in your bank or credit union on the **first day** of the month. Be aware that if the first falls on a weekend (Saturday or Sunday) or holiday, funds may not be available until the following business day. In these cases, please contact your financial institution directly for information on when your funds will be made available to you. **That decision is made by your financial institution, not LASERS.**

If you have not received your monthly benefit payment by the first business day of the month, contact LASERS at **225.922.0600** (local) or **800.256.3000** (toll-free). ■



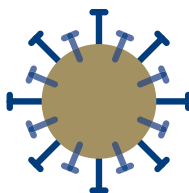
## DROP RATE OF RETURN

The rate of interest to be paid on eligible (non-Self Directed Plan) DROP accounts for the fiscal year that ended June 30, 2021 is **9.45 percent**. This interest rate is based on a five-year actuarially smoothed return.

The Public Retirement Systems' Actuarial Committee (PRSAC) approved the interest rate at its December 16, 2021 meeting. The interest was posted to accounts in January.

Participants in the Self-Directed Plan do not receive this interest, but participate in earnings or losses based upon the choices they have made in their investment allocations through Empower.

For more information regarding DROP, please see the Deferred Retirement Option Plan chapter in the *Member's Guide to Retirement*. ■



## COVID-19 UPDATE

LASERS continually monitors recommendations and mandates from the Governor's Office and updates our visitor and building restrictions accordingly. Please check the LASERS website before visiting to confirm current building restrictions by going to [lasersonline.org/covid19](http://lasersonline.org/covid19). ■



## SEE IF YOU QUALIFY FOR MEDICARE SAVINGS PROGRAMS

If you are on Medicare and meet certain income and asset limits, you may qualify for help paying for your Part B premium and reduce your prescription drug costs.

Income and asset limits have recently changed, so you may qualify for help now even if you have been denied in the past.

Contact the Senior Health Insurance Information Program at 1.800.259.5300 or visit [www.lidi.la.gov/SHIIP](http://www.lidi.la.gov/SHIIP) to see if you qualify. ■

# ATTENTION ACTIVE MEMBERS

## LEARN ABOUT YOUR LASERS RETIREMENT BY ATTENDING A VIRTUAL SEMINAR

Whether you are a new LASERS member or approaching retirement, our educational seminars provide essential information and tools to help you plan for your retirement. We currently offer two seminars to meet the needs of our members.

**EARLY CAREER SEMINAR:** This 2.5-hour virtual seminar is for LASERS members hired on or after January 1, 2011, but who are not within five years of retirement eligibility. This seminar introduces members to LASERS and educates them on membership in a defined benefit retirement plan. We encourage registration for all new hires who meet the above requirements, especially members who have no previous LASERS service.

**PREP SEMINAR:** This four-hour virtual seminar is for LASERS members who are approaching retirement. This seminar includes information on Social Security. It also includes a presentation from Empower. We encourage registration for any member inquiring about retirement and/or approaching retirement.

**Seminar dates for 2022 are continuously added to our website. Register for one by going to [www.lasersonline.org](http://www.lasersonline.org), and click on 'Register for a Seminar' on the home page. ■**

## DUNBAR AWARD WINNERS ANNOUNCED

Winners of the 62nd annual Charles E. Dunbar, Jr., Career Service Award, presented by the Louisiana Civil Service League were announced in February by Daniel E. Sullivan, Executive Vice President of the League. This award, named for the founder of the League and co-author of the original Civil Service Law in Louisiana, is presented to employees in a classified merit system who have distinguished themselves by service over and above the call of duty. The 12 honorees for 2020-2021 are:

- **William K. Bickham** of Angie  
*Corrections Deputy Warden,  
B.B. "Sixty" Rayburn Correctional Center,  
Department of Public Safety and Corrections*
- **Catherine Brindley** of Baton Rouge  
*Public Information Director,  
Division of Administration/Office of State Registrar*
- **Jean Guinta** of Metairie  
*Deputy Assistant Secretary, Department of  
Children and Family Services/Economic Stability*
- **Don C. Johnson** of Pride  
*Deputy Undersecretary,  
Department of Transportation and Development*
- **Helena Johnson** of New Orleans  
*Administrative Program Specialist,  
LSU Agricultural Center - Southeast Region*
- **Jonathan Brett Laird** of Folsom  
*Agricultural & Environmental Specialist  
Administrative Coordinator, Louisiana  
Department of Agriculture and Forestry*
- **Kathleen Lobell** of Baton Rouge  
*Accountant Manager 4,  
State Treasurer's Office*
- **Phillip Macaluso** of Independence  
*Traffic Operations Construction Maintenance  
Manager, Department of Transportation  
and Development Traffic Operations*
- **Cynthia "Cindy" Anne Park** of Angola  
*Nurse Practitioner, Louisiana State  
Penitentiary-Angola Medical Department,  
Department of Public Safety and Corrections*
- **Aeli Poydras** of New Orleans  
*Human Resources Division Administrator,  
Louisiana State Civil Service*
- **Lydia Coco Scales** of Gonzales  
*Retired from Child Support Enforcement,  
Department of Children and Family Services*
- **John "Rodney" Slay** of Pineville  
*Deputy Warden 4, Raymond Laborde Correctional Center,  
Department of Public Safety and Corrections ■*



## View Your 2021 Annual Statement in

*my* **LASERS**

Annual account statements were recently mailed to active members.

However, we encourage you to log in to your [myLASERS](#) account to view your statement.

Once you are logged in to myLASERS, click on *Documents*, then *Annual Statements*. ■



**STATE CIVIL SERVICE**



# BEAM-ME-UP *Your Questions Answered*



**Q: I need to change my federal tax withholdings for my LASERS benefit. How do I do so?**

**A:** To update your federal tax withholdings, you may download the W-4P form, located under Member Forms on the LASERS website, and return it to LASERS. Alternatively, you can complete the form in myLASERS and submit it directly through the site.

**Q: I retired from the state about a year ago. What employment options are allowed for retirees?**

**A:** Working in private industry or a government position not eligible for LASERS does not impact your LASERS benefit. Working as a rehired retiree in a LASERS eligible position generally requires you to choose an option: (1) continue to receive your retirement benefit and earn up to 50% of your annual benefit, (2) for non-DROP or IBO participants, regain membership in LASERS by repaying all benefits received since you retired plus interest at an actuarial rate, or (3) suspend your retirement benefit and have no limit on earnings. Your hiring agency must submit a form indicating your option choice within 45 days after you return to work. For the exceptions to the rule about choosing an option and more details see the Re-employed Retirees chapter of the *Member's Guide to Retirement*.

The Louisiana State Employees' Retirement System (LASERS) distributed this document digitally. No publication costs were incurred.

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