

LIAISON MEMORANDUM NUMBER 13-11

To: Agency Liaison Officers

From: Cindy Rougeou
Executive Director

Re: 2013 Legislative Session Final Outcome

Date: July 10, 2013

Retirement legislation was not in the forefront of the 2013 Regular Session as it was in 2012. The LASERS Board of Trustees took positions on 10 bills this year, and in the final outcome, none of the bills impacted active or retired LASERS members.

The LASERS Board supported two resolutions, **HCR 2** (Harrison) and **SCR 1** (Cortez). **HCR 2** unanimously passed, which would have suspended implementation of the Cash Balance Plan to 2014, but the Supreme Court's recent ruling voids implementation of the plan altogether. **SCR 1** was a companion resolution and it did not complete the legislative process.

The LASERS Board supported **SB 4** (E. Guillory), but it was withdrawn by the author after amendments adding contingencies to the funding method change were included. This measure would have changed the LASERS actuarial funding method from projected unit credit to entry age normal.

SB 17 (E. Guillory) was also supported by the LASERS Board, but failed to advance. It would have created the State Retirement Fund and allocated two percent of revenue collections in excess of Fiscal Year 2011-2012 levels to the Fund for payment of the unfunded accrued liability (UAL) and cost of living adjustments (COLAs).

Board of Trustees:	Beverly Hodges, Chair	Judge William Kleinpeter	Rep. Kevin Pearson	Cindy Rougeou, Executive Director
	Connie Carlton, Vice Chair	Janice Lansing	Lori Pierce	
	Thomas Bickham	Barbara McManus	Kathy Singleton	
	Sen. Elbert Guillory	Commissioner Kristy Nichols	Shannon Templet	
	Hon. John Kennedy			

Six bills were opposed by the LASERS Board and all of them failed to move forward:

- **HB 35** (Barrow) would have provided for a 25 years at any age retirement eligibility for employees of hospitals operated as part of the LSU Health Sciences Center which were subject to closures;
- **HB 57** (Pearson) would have increased the employee contribution rate for all members by two percent to pay the system's UAL. It provided for a 60-month final average compensation (FAC) and 15 percent anti-spiking for all LASERS members;
- **HB 61** (Badon) would have provided for a "divided benefit" for members whose actual earnings in a calendar month are 30 percent or more above his/her average monthly earnings for the immediately preceding 12 months;
- **HB 729** (Pearson), which was a substitute for HB 68, would have re-enacted the Cash Balance Plan and made changes regarding membership, withdrawals, interest, transfers, reciprocals, disability and survivor benefits, reemployment, purchases and dual plan membership;
- **SB 7** (Peacock) would have provided for a 60-month FAC and 15 percent anti-spiking for all LASERS members;
- **SB 11** (E. Guillory) would have increased employee contributions by three percent beginning July 1, 2013, provided for a 60-month FAC, and 15 percent anti-spiking for all LASERS Members.

For more details about each of these bills, please visit the [LASERS website](#).