

## **2014 Legislature**

The 2014 Legislative Session begins on March 10 and ends on June 2. Bills dealing with retirement issues must be advertised in accordance with the Louisiana Constitution in order to be filed. Judging from the number of advertisements that have been placed, it is anticipated that this session will be a busy one for the retirement committees. Bills have been filed already and several bills directly affect MERS:

**HB 6 by Rep. Pearson** is a board sponsored bill that would evenly divide the “member elected board members” on the Board of Trustees between elected officials and non-elected members. It would also restrict the number of Board Members elected from any one employer. **Board: Supports**

**HB 7 by Rep. Pearson** would reduce the accrual rate for members in Plan A hired after June 30, 2014, from the current accrual rate of 3% to 2.5%, including City Marshalls and Deputy City Marshalls. **Board: Opposes**

**HB 23** by Rep. Pearson is a bill makes technical changes to the provision that created the second tier for those members hired after December 31, 2012. The bill also permits accounting changes to assist the auditing and actuary accounting between Plan A and Plan B. **Board: Supports**

**HB 80** by Rep. Miller provides for specific authority and restrictions relative to the asset allocations of all state and statewide retirement systems, including MERS. The bill would prohibit investments in any private equities or private debt securities, require at least 15% of the portfolio be invested in “core fixed income” securities, require that all investments have an “exit strategy” and such strategy be expressly given to the board of trustees prior to investment, prohibit the use of leverage in connection with real estate, and prohibit direct ownership of any real estate other than an office building for the system. The bill allows two years for the system to achieve compliance, and would require a separate additional “code of ethics” for the consideration of, investment in, and disposition of alternative investments.”

### **Board: Deferred Action**

**HB 87** by Rep. Danahay would allow a shared employee of Vinton Public Power Authority and another participating employer to combine the hours worked at each employment to achieve the status of “full time employee”. **Board: Supports**

**Members are urged to contact their Representatives and Senators to let them know their positions** on each of these pieces of legislation. The MERS staff regularly attends meeting of the committees considering the bills to provide information concerning the effect on the retirement system, but the staff is prohibited by law from taking a position for, or against any legislation.

The home page for the Legislature:

<http://www.legis.la.gov/legis/home.aspx>