

**2025 Public Notices
for Legislation that May Impact MERS**

Public notice is hereby given that there may be introduced at the session of the Legislature to be convened on April 14, 2025, a bill relative to public retirement systems; to provide relative to **Environmental, Social, and Governance** investments; to provide relative to fiduciary duties and proxy voting activities; and to provide for related matters.

Public notice is hereby given, as provided by Section 29(C), Article X of the Constitution of Louisiana, that there will be introduced at the forthcoming session of the Legislature of Louisiana, to be convened on April 14, 2025, a bill relative to **part-time public service and retirement eligibility** for legislators, aldermen, constables, or members of a school board, levee board, police jury, parish council, **city council**, city-parish council, or **town council**; and to provide for related matters.

Public notice is hereby given, as provided by Section 29(C), Article X of the Constitution of Louisiana, that there will be introduced at the forthcoming session of the Legislature of Louisiana, to be convened on April 14, 2025, a bill relative to public retirement systems; to provide relative to the Municipal Employees' Retirement System; to provide relative to the Louisiana State Employees' Retirement System; to **provide for membership in a state or statewide retirement system in lieu of membership in another** state or statewide retirement system; to provide for service credit; to provide for eligibility; and to provide for related matters.

2025 Regular Session

HOUSE BILL NO. 8

BY REPRESENTATIVE GLORIOSO

Prefiled pursuant to Article III, Section 2(A)(4)(b)(i) of the Constitution of Louisiana.

RETIREMENT SYSTEMS: Provides relative to membership in the Municipal Employees' Retirement System

1 AN ACT

2 To enact R.S. 11:1751.2, relative to public retirement systems; to provide relative to the

3 Municipal Employees' Retirement System; to provide relative to the Louisiana State

4 Employees' Retirement System; to provide for membership in a state or statewide

5 retirement system in lieu of membership in another state or statewide retirement

6 system; to provide for service credit; to provide for eligibility; to provide for

7 applicability; to provide for an effective date; and to provide for related matters.

8 Notice of intention to introduce this Act has been published

9 as provided by Article X, Section 29(C) of the Constitution

10 of Louisiana.

11 Be it enacted by the Legislature of Louisiana:

12 Section 1. R.S. 11:1751.2 is hereby enacted to read as follows:

13 §1751.2. Membership in lieu of participation in another retirement system

14 Any person who is a member of the Municipal Employees' Retirement

15 System, who has creditable membership service of at least five years in this system,

16 and who becomes employed in a position where he is no longer eligible for

17 membership in this system, but is eligible for membership in the Louisiana State

18 Employees' Retirement System, shall have the right to remain a member of this

19 system in lieu of membership in the Louisiana State Employees' Retirement System

20 by filing a notice of election to remain in this system, in writing, with the board of

1 trustees within thirty days after the effective date of employment. Such election
2 shall be irrevocable.

3 Section 2. This Act applies to persons who become employed in a position covered
4 by the Louisiana State Employees' Retirement System after December 31, 2024. A person
5 employed in such a position after December 31, 2024, and on or before the effective date of
6 this Act shall have thirty days from the effective date of this Act to file a notice of election
7 to remain in the Municipal Employees' Retirement System, in writing, with the board of
8 trustees.

9 Section 3. The cost of this Act, if any, shall be funded with additional employer
10 contributions in compliance with Article X, Section 29(F) of the Constitution of Louisiana.

11 Section 4. This Act shall become effective upon signature by the governor or, if not
12 signed by the governor, upon expiration of the time for bills to become law without signature
13 by the governor, as provided by Article III, Section 18 of the Constitution of Louisiana. If
14 vetoed by the governor and subsequently approved by the legislature, this Act shall become
15 effective on the day following such approval.

DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

HB 8 Original

2025 Regular Session

Glorioso

Abstract: Provides for membership in the Municipal Employees' Retirement System (MERS) in lieu of membership in the La. State Employees' Retirement System (LASERS).

Present law provides an employee ceases to be a member of MERS if he does any of the following:

- (1) Resigns.
- (2) Is dismissed.
- (3) Separates from service.

Proposed law provides a member of MERS who becomes employed in a position where he is no longer eligible for membership in MERS but is eligible for membership in LASERS may remain in MERS in lieu of participation in LASERS.

Proposed law requires the member to have a minimum of 5 years of service credit in MERS.

Proposed law requires the member to file a notice of election with the board of trustees within 30 days of employment. Provides that the election is irrevocable.

Proposed law applies to persons who become employed in a position covered by LASERS after December 31, 2024. Provides that a person employed in such a position after December 31, 2024, and on or before the effective date of proposed law shall have 30 days from the effective date of proposed law to file a notice of election to remain in MERS, in writing, with the board of trustees.

Proposed law requires that any cost of proposed law be funded with additional employer contributions in compliance with present constitution (Art. X, Sec. 29(F)).

Effective upon signature of governor or lapse of time for gubernatorial action.

(Adds R.S. 11:1751.2)

2025 Regular Session

SENATE BILL NO. 7

BY SENATOR HODGES

Prefiled pursuant to Article III, Section 2(A)(4)(b)(i) of the Constitution of Louisiana.

RETIREMENT BENEFITS. Requires fiduciaries of public retirement systems to make investment decisions based solely on financial factors. (6/30/25)

AN ACT

To enact R.S. 11:263.1, relative to requiring a service provider to use only financial factors when discharging its duties with respect to retirement plan investments; to provide that financial factors do not include factors related to furthering environmental, social, political, or ideological goals, objectives, or outcomes; to provide for proxy voting; to provide for the use of advice from proxy advisory firms; to provide for definitions; to provide for enforcement; to provide for an effective date; and to provide for related matters.

Notice of intention to introduce this Act has been published.

Be it enacted by the Legislature of Louisiana:

Section 1. R.S. 11:263.1 is hereby enacted to read as follows:

§263.1. ESG Public Retirement Protection

A. In addition to the requirements of R.S. 11:263, third-party service providers shall use only financial factors when making an investment of system, fund, or plan assets.

B.(1) A shareholder proxy vote to which this Section applies shall be cast in keeping with the standards and responsibilities for fiduciaries and based

1 solely on financial factors as provided in R.S. 11:263(D)(3) and Subparagraph
2 (D)(3)(a) of this Section.

3 (2) Each system, fund, or plan to which this Section applies may retain
4 a proxy firm, investment manager, or advisory service to assist the system, fund,
5 or plan in exercising shareholder proxy rights or vote shares if the service
6 provider commits to act solely upon financial factors and to follow the
7 applicable guidelines as adopted and provided by the system, fund, or plan.

8 (3) Each system, fund, or plan to which this Section applies shall not sell
9 its shareholder proxy right, including but not limited to the shareholder proxy
10 vote.

11 (4) On an annual basis, each system, fund, or plan to which this Section
12 applies shall report to the board all proxy votes related to publicly managed
13 assets. This report shall include a proxy voting summary and shall be posted on
14 a publicly available webpage on the website of the system, fund, or plan.

15 (C)(1) Exclusive authority to investigate or bring an action related to
16 compliance with this Section is vested in the attorney general of this state. If the
17 attorney general has reasonable cause to believe that a service provider has
18 engaged in, is engaging in, or is about to engage in an ESG commitment, as a
19 violation of this Section, the attorney general may do any of the following:

20 (a) Require the service provider to file in writing, on forms as the
21 attorney general prescribes, a statement or report, under oath, as to all the facts
22 and circumstances concerning the violation.

23 (b) Request data and information as the attorney general may deem
24 necessary.

25 (2) In addition to any other remedies available at law, if a service
26 provider violates the provisions of this Section, the attorney general may bring
27 a cause of action against the service provider in the Nineteen Judicial District
28 Court. Based upon the evidence, the court shall order damages against the
29 service provider in an amount which is no more than three times the monies

1 paid to the service provider by the system, fund, or plan for the services. The
2 damages shall be paid to the state of Louisiana and shall be appropriated by the
3 legislature to pay down the unfunded accrued liability of the system, fund, or
4 plan for which the service provider was hired.

5 D. As used in this Section, the following terms shall have the following
6 meaning unless the context clearly indicates otherwise:

7 (1) "Service provider" means any third-party fiduciary acting on behalf
8 of the board, system, fund or plan as a manager of publicly managed assets,
9 proxy firm, or contractor of any public retirement or pension systems, fund, or
10 plan.

11 (2)(a) "ESG commitment" means an action taken or a factor considered
12 by a service provider with respect to or including the assets of the system, fund,
13 or plan and with the nonfinancial purpose to further environmental, social,
14 political, or ideological goals, objects, or outcomes based on evidence indicating
15 no direct and material connection to the financial risk or financial return of an
16 investment.

17 (b) "ESG commitment" includes a commitment to further, through
18 shareholder votes, any of the following for nonfinancial purposes:

19 (i) The elimination, reduction, offsetting, or disclosing of greenhouse gas
20 emissions.

21 (ii) The institution or assessment of composition, compensation, or
22 disclosure criteria of membership or staffing of any corporate board that
23 incorporates characteristics protected in this state.

24 (iii) Divestment from limitation of interest in or limitation of activities
25 or investments of any company for failing, or not committing, to meet
26 environmental standards or disclosures.

27 (iv) Access to abortion or sex or gender change or transgender surgery.

28 (v) Divestment from limitation on investment in or limitation on the
29 activities or investments of any company that engages in, facilitates, or supports

1 the manufacture, import, distribution, marketing or advertising, sale, or lawful
2 use of firearms, ammunition, or components parts and accessories of firearms
3 or ammunition.

4 (vi) Divestment from limitation on investments in or limitation on the
5 activities of investments of any company that engages in, facilitates, or supports
6 the manufacture, export, distribution, marketing, advertising, or use of
7 petroleum, oil, or gasoline products extracted, produced, or refined in the state
8 of Louisiana or any other state in the United States of America.

9 (vii) The acquisition of immovable property by foreign adversaries as
10 prohibited by R.S. 9:2717.1.

11 (c) Any of the following factors may be considered as evidence of an ESG
12 commitment:

13 (i) Letters to clients.

14 (ii) Statements.

15 (iii) Reports.

16 (iv) Communications with portfolio companies.

17 (v) Advertising.

18 (vi) Statements of principles or policies, whether made individually or
19 jointly.

20 (vii) Votes of shares or proxies.

21 (viii) Participation in, affiliation with, or status as a signatory to any of
22 the following:

23 (aa) A coalition.

24 (bb) An initiative.

25 (cc) An agreement.

26 (dd) A commitment to which the fiduciary is a participant, affiliate, or
27 signatory.

28 (3)(a) "Financial" means factors a prudent person in a like capacity
29 would reasonably determine to have a direct and material connection to the

1 financial risk or financial return of an investment based on an appropriate
 2 investment horizon consistent with the investment objective and funding policy,
 3 which include but are not limited to these factors provided for in R.S.
 4 11:263(D)(3).

5 (b) The term does not include an action taken or a factor considered by
 6 a service provider to further environmental, social, political, or ideological
 7 goals, objects, or outcomes as set forth in Subparagraph (D)(2)(b) of this
 8 Section.

9 Section 2. This Act shall become effective on June 30, 2025; if vetoed by the
 10 governor and subsequently approved by the legislature, this Act shall become effective on
 11 June 30, 2025, or on the following such approval by the legislature, whichever is later.

The original instrument and the following digest, which constitutes no part
 of the legislative instrument, were prepared by Alana M. Perrin.

	DIGEST	
SB 7 Original	2025 Regular Session	Hodges

Proposed law requires fiduciaries such as a manager of publicly managed assets, proxy firm, or contractor of any public retirement or pension system, fund, or plan to discharge its duties solely for the exclusive purpose of providing financial benefits to participants and their beneficiaries. Proposed law requires third-party providers to take into account only financial factors with respect to a retirement plan and prohibits financial factors that include any action taken, or factor considered, by a fiduciary with any purpose to further environmental, social, political, or ideological goals, objects, or outcomes.

Proposed law provides that the provisions of proposed law may be enforced by the attorney general. Proposed law requires that a manager of publicly managed assets, proxy firm, or contractor of any public retirement or pension system that violates this duty be obligated to pay damages.

Effective June 30, 2025.

(Adds R.S. 11:263.1)