

HOUSE COMMITTEE AMENDMENTS

Amendments proposed by House Committee on Retirement to Original House Bill No. 1225
by Representative Robideaux

AMENDMENT NO. 1

On page 1, line 6, between "(C)(6)" and "102.2(B)(5)" change the "and" to a comma ","

AMENDMENT NO. 2

On page 1, at the beginning of line 7, insert "542(G), 883.1(H), 1145.1(F), and 1332(G),"

AMENDMENT NO. 3

On page 1, line 19, change "(C)(6) and 102.2(B)(5) and (C)(6)" to "(C)(6), 102.2(B)(5) and (C)(6), 542(G), 883.1(H), 1145.1(F), and 1332(G)"

AMENDMENT NO. 4

On page 3, line 2, after "R.S. 11:102.1," delete the remainder of the line in its entirety and delete line 3 in its entirety

AMENDMENT NO. 5

On page 3, line 9, change "the last payment made on the liquidated base." to "that year's remaining payment pursuant to R.S. 11:102.1."

AMENDMENT NO. 6

On page 3, at the end of line 20, between "system" and the period "." insert "excluding any amortization base established to amortize a particularized liability established pursuant to Subsection C of this Section or a liability established pursuant to Subparagraphs (2)(a) and (3)(c) of this Subsection"

AMENDMENT NO. 7

On page 3, line 26, between "system," and "without reamortization" insert "excluding any amortization base established to amortize a particularized liability established pursuant to Subsection C of this Section or a liability established pursuant to Subparagraphs (2)(a) and (3)(c) of this Subsection, and"

AMENDMENT NO. 8

On page 4, line 1, after "returns as equals" delete the remainder of the line in its entirety and at the beginning of line 2 delete "liquidated base pursuant to R.S. 11:102.1 plus" and insert in lieu thereof "double"

AMENDMENT NO. 9

On page 4, at the end of line 14, insert "excluding any amortization base established to amortize a particularized liability established pursuant to Subsection C of this Section or a liability established pursuant to Subparagraphs (2)(a) and (3)(c) of this Subsection, and"

AMENDMENT NO. 10

On page 4, between lines 20 and 21, insert the following:

1 "(dd) Effective for the June 30, 2014, system valuation and for each valuation
 2 thereafter, actuarial gains allocated to the experience account shall be amortized as
 3 a loss with level payments over a ten-year period."

4 AMENDMENT NO. 11

5 On page 5, at the end of line 7, insert "excluding any amortization base established to
 6 amortize a liability established pursuant to Subparagraphs (2)(a) and (3)(c) of this
 7 Subsection, and"

8 AMENDMENT NO. 12

9 On page 5, line 19, between "the system," and "without" insert "excluding any amortization
 10 base established to amortize a liability established pursuant to Subparagraphs (2)(a) and
 11 (3)(c) of this Subsection, and"

12 AMENDMENT NO. 13

13 On page 5, between lines 23 and 24, insert the following:

14 "(dd) Effective for the June 30, 2014, system valuation and for each valuation
 15 thereafter, actuarial gains allocated to the experience account shall be amortized as
 16 a loss with level payments over a ten-year period."

17 AMENDMENT NO. 14

18 On page 6, line 13, after "R.S. 11:102.2," delete the remainder of the line in its entirety and
 19 delete line 14 in its entirety

20 AMENDMENT NO. 15

21 On page 6, line 20, change "the last payment made on the liquidated base." to "that year's
 22 remaining payment pursuant to R.S. 11:102.2."

23 AMENDMENT NO. 16

24 On page 7, at the end of line 2, between "system" and the period "." insert "excluding any
 25 amortization base established to amortize a particularized liability established pursuant to
 26 Subsection D of this Section or a liability established pursuant to Subparagraphs (2)(a) and
 27 (3)(c) of this Subsection"

28 AMENDMENT NO. 17

29 On page 7, line 8, between "system," and "without reamortization" insert "excluding any
 30 amortization base established to amortize a particularized liability established pursuant to
 31 Subsection D of this Section or a liability established pursuant to Subparagraphs (2)(a) and
 32 (3)(c) of this Subsection, and"

33 AMENDMENT NO. 18

34 On page 7, line 12, after "returns as equals" delete the remainder of the line in its entirety
 35 and at the beginning of line 13 delete "liquidated base pursuant to R.S. 11:102.2 plus" and
 36 insert in lieu thereof "double"

37 AMENDMENT NO. 19

38 On page 7, at the end of line 25, insert "excluding any amortization base established to
 39 amortize a particularized liability established pursuant to Subsection D of this Section or a
 40 liability established pursuant to Subparagraphs (2)(a) and (3)(c) of this Subsection, and"

1 AMENDMENT NO. 20

2 On page 8, between lines 2 and 3, insert the following:

3 "(dd) Effective for the June 30, 2014, system valuation and for each valuation
 4 thereafter, actuarial gains allocated to the experience account shall be amortized as
 5 a loss with level payments over a ten-year period."

6 AMENDMENT NO. 21

7 On page 8, at the end of line 18, insert "excluding any amortization base established to
 8 amortize a liability established pursuant to Subparagraphs (2)(a) and (3)(c) of this
 9 Subsection, and"

10 AMENDMENT NO. 22

11 On page 9, line 1, between "system," and "without reamortization" insert "excluding any
 12 amortization base established to amortize a liability established pursuant to Subparagraphs
 13 (2)(a) and (3)(c) of this Subsection, and"

14 AMENDMENT NO. 23

15 On page 9, between lines 5 and 6, insert the following:

16 "(dd) Effective for the June 30, 2014, system valuation and for each valuation
 17 thereafter, actuarial gains allocated to the experience account shall be amortized as
 18 a loss with level payments over a ten-year period."

19 AMENDMENT NO. 2420 On page 12, line 23, change "June 30, 3014," to "June 30, 2014,"21 AMENDMENT NO. 2522 On page 15, line 9, delete "legislature" and insert in lieu thereof "system be permitted to"23 AMENDMENT NO. 26

24 On page 15, line 14, after "granted." insert "The board of trustees shall not grant a permanent
 25 benefit increase unless such permanent benefit increase has been approved by the
 26 legislature."

27 AMENDMENT NO. 27

28 On page 16, at the end of line 2, delete "equal an" and at the beginning of line 3 delete
 29 "amount not to exceed" and insert in lieu thereof "be an amount equal to"

30 AMENDMENT NO. 28

31 On page 16, delete lines 23 and 24, and insert in lieu thereof the following:

32 "(e) If the system is less than fifty-five percent funded, no increase shall be granted."33 AMENDMENT NO. 2934 On page 17, line 3, change "Subparagraph (C)(1)(b)" to "Subsection C"

AMENDMENT NO. 30

On page 17, between lines 6 and 7, insert the following:

"G.(1) Notwithstanding any provision of this Section to the contrary, in a year in which the experience account balance is insufficient to fund the amount required pursuant to Paragraph (C)(1) of this Section, the board may make the recommendation provided in Paragraph (C)(1) if all of the following conditions are satisfied:

(a) No benefit increase was granted in the preceding fiscal year.

(b) The experience account balance established in the system valuation for the preceding fiscal year reached its maximum reserve permitted pursuant to Paragraph (A)(3) of this Section applicable to the system valuation for that valuation year.

(c) The experience account balance established in the system valuation for the current fiscal year is insufficient to fund the maximum increase permitted pursuant to Paragraph (C)(2) of this Section applicable to the system valuation for the preceding fiscal year.

(d) All of the insufficiency in the account is attributable to the following:

(i) The growth of the cost of the increase, but only if that growth was produced solely by either or both of these events:

(aa) Changes in the pool of the eligible recipients.

(bb) The growth in the benefit amount to which the increase applies due to the application of the CPI-U pursuant to the provisions of Paragraph (C)(1) of this Section.

(ii) Credits to the account, if any, are insufficient to cover the growth in the cost of the increase.

(2) The amount of the increase shall be equal to the amount the balance in the experience account will fully fund rounded to the nearest lower one-tenth of one percent.

* * *

AMENDMENT NO. 31

On page 18, line 3, delete "legislature" and insert in lieu thereof "system be permitted to"

AMENDMENT NO. 32

On page 18, line 8, after "granted." insert "The board of trustees shall not grant a permanent benefit increase unless such permanent benefit increase has been approved by the legislature."

AMENDMENT NO. 33

On page 18, line 13, delete "equal an amount not to exceed" and insert in lieu thereof "be an amount equal to"

AMENDMENT NO. 34

On page 19, delete lines 7 and 8, and insert in lieu thereof the following:

"(e) If the system is less than fifty-five percent funded, no increase shall be granted."

AMENDMENT NO. 35

On page 19, line 28, change "Subparagraph (C)(1)(b)" to "Subsection C"

AMENDMENT NO. 36

On page 20, between lines 3 and 4 insert the following:

"H.(1) Notwithstanding any provision of this Section to the contrary, in a year in which the experience account balance is insufficient to fund the amount required pursuant to Paragraph (C)(1) of this Section, the board may make the recommendation provided in Paragraph (C)(1) if all of the following conditions are satisfied:

(a) No benefit increase was granted in the preceding fiscal year.

(b) The experience account balance established in the system valuation for the preceding fiscal year reached its maximum reserve permitted pursuant to Paragraph (A)(3) of this Section applicable to the system valuation for that valuation year.

(c) The experience account balance established in the system valuation for the current fiscal year is insufficient to fund the maximum increase permitted pursuant to Paragraph (C)(2) of this Section applicable to the system valuation for the preceding fiscal year.

(d) All of the insufficiency in the account is attributable to the following:

(i) The growth of the cost of the increase, but only if that growth was produced solely by either or both of these events:

(aa) Changes in the pool of the eligible recipients.

(bb) The growth in the benefit amount to which the increase applies due to the application of the CPI-U pursuant to the provisions of Paragraph (C)(1) of this Section.

(ii) Credits to the account, if any, are insufficient to cover the growth in the cost of the increase.

(2) The amount of the increase shall be equal to the amount the balance in the experience account will fully fund rounded to the nearest lower one-tenth of one percent.

* * *

AMENDMENT NO. 37

On page 20, line 26, delete "legislature" and insert in lieu thereof "system be permitted to"

AMENDMENT NO. 38

On page 21, line 2, after "granted." insert "The board of trustees shall not grant a cost-of-living adjustment ~~as provided in this Subsection~~ unless such cost-of-living adjustment has been approved by the legislature."

AMENDMENT NO. 39

On page 21, line 21, delete "equal an amount not to exceed" and insert in lieu thereof "be an amount equal to"

AMENDMENT NO. 40

On page 21, at the end of line 29, insert the following: "If the balance in the experience account is not sufficient to fund that sum, no increase shall be granted."

AMENDMENT NO. 41

On page 22, delete lines 11 and 12, and insert in lieu thereof the following:

"(e) If the system is less than fifty-five percent funded, no increase shall be granted."

AMENDMENT NO. 42

On page 22, line 19, change "Subparagraph (C)(1)(b)" to "Subsection C"

AMENDMENT NO. 43

On page 22, line 20, after "does not earn" delete the remainder of the line in its entirety and delete line 21 in its entirety and insert in lieu thereof "an actuarial rate of return of at least seven and one-quarter percent interest on the investment of the system's assets."

AMENDMENT NO. 44

On page 22, between lines 22 and 23, insert the following:

"F.(1) Notwithstanding any provision of this Section to the contrary, in a year in which the experience account balance is insufficient to fund the amount required pursuant to Paragraph (C)(1) of this Section, the board may make the recommendation provided in Paragraph (C)(1) if all of the following conditions are satisfied:

(a) No benefit increase was granted in the preceding fiscal year.

(b) The experience account balance established in the system valuation for the preceding fiscal year reached its maximum reserve permitted pursuant to Paragraph (A)(3) of this Section applicable to the system valuation for that valuation year.

(c) The experience account balance established in the system valuation for the current fiscal year is insufficient to fund the maximum increase permitted pursuant to Paragraph (C)(2) of this Section applicable to the system valuation for the preceding fiscal year.

(d) All of the insufficiency in the account is attributable to the following:

(i) The growth of the cost of the increase, but only if that growth was produced solely by either or both of these events:

(aa) Changes in the pool of the eligible recipients.

(bb) The growth in the benefit amount to which the increase applies due to the application of the CPI-U pursuant to the provisions of Paragraph (C)(1) of this Section.

(ii) Credits to the account, if any, are insufficient to cover the growth in the cost of the increase.

(2) The amount of the increase shall be equal to the amount the balance in the experience account will fully fund rounded to the nearest lower one-tenth of one percent.

* * *

AMENDMENT NO. 45

On page 23, line 17, delete "legislature" and insert in lieu thereof "system be permitted to"

AMENDMENT NO. 46

On page 23, line 22, after "granted." insert "The board of trustees shall not grant a cost-of-living adjustment ~~as provided in this Subsection~~ unless such cost-of-living adjustment has been approved by the legislature."

AMENDMENT NO. 47

On page 24, line 12, delete "equal an amount not to exceed" and insert in lieu thereof "be an amount equal to"

1 AMENDMENT NO. 48

2 On page 24, at the end of line 21, insert the following: "If the balance in the experience
3 account is not sufficient to fund that sum, no increase shall be granted."

4 AMENDMENT NO. 49

5 On page 25, line 12, change "Subparagraph (C)(1)(b)" to "Subsection C"

6 AMENDMENT NO. 50

7 On page 25, line 13, after "does not earn" delete the remainder of the line in its entirety and
8 delete line 14 in its entirety and insert in lieu thereof "an actuarial rate of return of at least
9 seven percent interest on the investment of the system's assets."

10 AMENDMENT NO. 51

11 On page 25, line 17, delete "recommend to the legislature that" and insert in lieu thereof
12 "grant"

13 AMENDMENT NO. 52

14 On page 25, line 18, delete "be granted"

15 AMENDMENT NO. 53

16 On page 25, line 23, delete "legislature" and insert in lieu thereof "system be permitted to"

17 AMENDMENT NO. 54

18 On page 25, line 28, after "granted." insert "The board of trustees shall not grant such
19 supplemental cost-of-living adjustment ~~as provided in this Subsection~~ unless such
20 supplemental cost-of-living adjustment has been approved by the legislature."

21 AMENDMENT NO. 55

22 On page 26, between lines 19 and 20, insert the following:

23 "G.(1) Notwithstanding any provision of this Section to the contrary, in a
24 year in which the experience account balance is insufficient to fund the amount
25 required pursuant to Paragraph (C)(1) of this Section, the board may make the
26 recommendation provided in Paragraph (C)(1) if all of the following conditions are
27 satisfied:

28 (a) No benefit increase was granted in the preceding fiscal year.

29 (b) The experience account balance established in the system valuation for
30 the preceding fiscal year reached its maximum reserve permitted pursuant to
31 Paragraph (A)(3) of this Section applicable to the system valuation for that valuation
32 year.

33 (c) The experience account balance established in the system valuation for
34 the current fiscal year is insufficient to fund the maximum increase permitted
35 pursuant to Paragraph (C)(2) of this Section applicable to the system valuation for
36 the preceding fiscal year.

37 (d) All of the insufficiency in the account is attributable to the following:

38 (i) The growth of the cost of the increase, but only if that growth was
39 produced solely by either or both of these events:

40 (aa) Changes in the pool of the eligible recipients.

41 (bb) The growth in the benefit amount to which the increase applies due to
42 the application of the CPI-U pursuant to the provisions of Paragraph (C)(1) of this
43 Section.

1 (ii) Credits to the account, if any, are insufficient to cover the growth in the
2 cost of the increase.
3 (2) The amount of the increase shall be equal to the amount the balance in
4 the experience account will fully fund rounded to the nearest lower one-tenth of one
5 percent."

6 AMENDMENT NO. 56

7 On page 26, delete lines 21 through 28 in their entirety and insert in lieu thereof:
8
9 "the systems shall jointly prepare and present to the House and Senate Committees
10 on retirement a written policy explaining in detail each aspect of system procedure
11 that will be applied in the implementation of this Act. The policy shall be submitted
12 to the committees no later than September 2, 2014. The House and Senate
13 committees on retirement shall meet jointly prior to December 31, 2014, to review
14 and consider approval of the policy."

15 AMENDMENT NO. 57

16 On page 27, line 1, between "provisions of" and "this Act" insert "Sections 1 and 2 of"

17 AMENDMENT NO. 58

18 On page 27, at the end of line 2, insert "the" and after "Legislature" insert "of Louisiana"

19 AMENDMENT NO. 59

20 On page 27, after line 3, insert:
21
22 "Section 4. The provisions of this Section and Section 3 of this Act shall become
23 effective on June 30, 2014; if this Act is vetoed by the governor and subsequently approved
24 by the legislature, the provisions of this Section and Section 3 of this Act shall become
25 effective on June 30, 2014, or on the day following such approval by the legislature,
26 whichever is later."