
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 11 Original

2018 Regular Session

Ivey

Abstract: Imposes fiduciary duty to the state and statewide retirement systems on members of the Public Retirement Systems' Actuarial Committee (PRSAC).

Present law establishes PRSAC, whose duties include annual adoption of an official valuation of each state or statewide retirement system. Such adoption requires PRSAC to review and analyze all assumptions and valuations submitted to PRSAC pursuant to present law, and to approve a single valuation for each of the state and statewide retirement systems. Voting members of PRSAC include:

- (1) The state treasurer, or his designee.
- (2) The commissioner of administration, or his designee.
- (3) The legislative auditor, or his designee.
- (4) An actuary who represents the state retirement systems.
- (5) An actuary who represents the statewide retirement systems.
- (6) The president of the Senate, or his designee.
- (7) The speaker of the House of Representatives, or his designee.

Present law imposes a fiduciary duty on any person who exercises any discretionary authority or discretionary control with respect to the management of retirement system funds or assets or any person who renders investment advice or services for compensation, direct or indirect, with respect to system funds or assets. Provides that the basic duty of a fiduciary is to discharge his duties with respect to a system in the exclusive interest of the system members and beneficiaries. Provides that a fiduciary who breaches the duties imposed shall be personally liable to make good to such plan any losses to the plan resulting from such breach and to restore to such plan any profits of such fiduciary which have been made through use of assets of the plan and that he shall be subject to such other equitable or remedial relief as the court may deem appropriate, including removal of such fiduciary. Proposed law imposes this fiduciary duty on members or designees of members of PRSAC when acting in such capacity.

(Amends R.S. 11:264.1; Adds R.S. 11:264(3))