

2016 Regular Session

HOUSE BILL NO. 1092

BY REPRESENTATIVE IVEY

RETIREMENT/STATE SYSTEMS: Provides relative to actuarial assumptions of the state retirement systems

1 AN ACT

2 To amend and reenact R.S. 11:127(C) and (D) and to enact R.S. 11:127(E), 834(E), 1171(F),
3 and 1302.2(C), relative to the state retirement systems and the Public Retirement
4 Systems' Actuarial Committee; to provide for the adoption of a uniform inflation
5 assumption; to provide for state retirement system annual valuation reports; to
6 provide for an implementation date; and to provide for related matters.

7 Notice of intention to introduce this Act has been published
8 as provided by Article X, Section 29(C) of the Constitution
9 of Louisiana.

10 Be it enacted by the Legislature of Louisiana:

11 Section 1. R.S. 11:127(C) and (D) are hereby amended and reenacted and R.S.
12 11:127(E), 834(E), 1171(F), and 1302.2(C) are hereby enacted to read as follows:

13 §127. Duties

14 * * *

15 C. The committee shall annually adopt an inflation assumption which each
16 state retirement system shall use in its annual actuarial valuations.

17 D. The actuaries for the public retirement systems, plans, and funds and for
18 the legislative auditor shall submit annual actuarial valuations to the committee. In
19 their annual actuarial valuations, the actuaries for the state retirement systems shall
20 utilize the inflation assumption adopted by the committee pursuant to Subsection C

of this Section. The committee shall review and analyze all the assumptions and valuations submitted. The committee shall, with the consent of a majority of members present and voting, approve a single valuation for each public retirement system, plan, or fund. Once consent of the members is obtained, the actuarial valuations in the form of the official valuations adopted by the committee shall be submitted to the House and Senate committees on retirement and the Joint Legislative Committee on the Budget.

~~D.~~ E. Each agency represented by a member of the committee shall provide clerical staff and clerical support as requested by any member of the committee in fulfillment of the duties of the committee.

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§834. Actuary; appointment; duties and powers; assets; fiduciary responsibility of trustees; portfolio control manager; actuarial assumptions

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E. Notwithstanding any provision of this Section, the retirement system shall use the inflation assumption adopted by the Public Retirement Systems' Actuarial Committee pursuant to R.S. 11:127 as its inflation assumption.

* * *

§1171. Actuary; appointment; duties and powers

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F. Notwithstanding any provision of this Section, the system shall use the inflation assumption adopted by the Public Retirement Systems' Actuarial Committee pursuant to R.S. 11:127 as its inflation assumption.

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§1302.2. Actuary; appointment; duties and powers; actuarial assumptions

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C. Notwithstanding any provision of this Section, the system shall use the inflation assumption adopted by the Public Retirement Systems' Actuarial Committee pursuant to R.S. 11:127 as its inflation assumption.

- 1 Section 2. This Act shall be applied to the state retirement system actuarial
2 valuations beginning Fiscal Year 2016-2017.

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 1092 Original

2016 Regular Session

Ivey

Abstract: Provides for adoption of a uniform inflation assumption by the Public Retirement Systems' Actuarial Committee (PRSAC) for required use by the state retirement systems.

Present law requires that the actuaries for the public retirement systems submit annual actuarial valuations to PRSAC for PRSAC's review and analysis of the assumptions and valuations submitted. With the consent of a majority of the members of PRSAC present and voting, PRSAC adopts an official valuation for each state or statewide public retirement system.

Present law provides that board of trustees of the Teachers Retirement System of La. (TRSL), the La. School Employees' Retirement System (LSERS), and the State Police Retirement System (STPOL) may adopt actuarial assumptions for their respective systems.

Proposed law requires PRSAC to adopt a uniform inflation assumption to be used by each of the state retirement systems.

Proposed law requires that the boards of trustees for LASERS, TRSL, LSERS, and STPOL adopt the uniform inflation assumption adopted by PRSAC for use by their respective systems in their annual actuarial valuations.

Proposed law requires implementation of proposed law by the state retirement systems beginning with the annual valuation reports for FY 2016-2017.

(Amends R.S. 11:127(C) and (D); Adds R.S. 11:127(E), 834(E), 1171(F), and 1302.2(C))