


**2010 REGULAR SESSION  
ACTUARIAL NOTE HB 229**

<p><b>House Bill 229 HLS 10RS-469 Original</b></p> <p><b>Author: Representative J. Kevin Pearson Date: March 27, 2010</b></p> <p><b>LLA Note HB 229.01</b></p> <p><b>Organizations Affected: All Louisiana public retirement systems</b></p> <p><b>OR NO IMPACT APV</b></p>	<p>The Note was prepared by the Actuarial Services Department of the Office of the Legislative Auditor.</p> <div style="text-align: right; margin-top: 20px;">   <b>David K. Greer, CPA Assistant Legislative Auditor and Director of Performance Audit and Actuarial Services</b> </div>
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**Bill Header:** RETIREMENT SYSTEM: (Constitutional Amendment) Relative to public retirement system, requires a 2/3 vote to enact any changes to retirement provisions having an actuarial cost.

**Cost Summary:**

Actuarial Cost/(Savings) to Retirement Systems and OGB	\$0
Total Five Year Fiscal Cost	
Expenditures	\$0
Revenues	\$0

**Estimated Actuarial Impact:**

The chart below shows the estimated increase/(decrease) in the actuarial value of benefits, if any, attributable to the proposed legislation. Note: it includes the present value cost of fiscal costs associated with benefit changes. It does **not** include present value costs associated with other fiscal concerns.

<b><u>Actuarial Cost (Savings) to:</u></b>	<b><u>Increase (Decrease) in The Actuarial Present Value</u></b>
All Louisiana public retirement systems	\$0
Other Post Retirement Benefits	\$0
Total	\$0

**Estimated Fiscal Impact:**

The chart below shows the estimated fiscal impact of the proposed legislation. This represents the effect on cash flows for government entities including the retirement systems and the Office of Group Benefits. Note: it includes the cash flow effect of the benefit changes on the retirement systems, the Office of Group Benefits, as well as other fiscal concerns.

<b>EXPENDITURES</b>	<b>2010-11</b>	<b>2011-12</b>	<b>2012-13</b>	<b>2013-14</b>	<b>2014-15</b>	<b>5 Year Total</b>
State General Fund	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Agy Self Generated	0	0	0	0	0	0
Stat Deds/Other	0	0	0	0	0	0
Federal Funds	0	0	0	0	0	0
Local Funds	0	0	0	0	0	0
Annual Total	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0

<b>REVENUES</b>	<b>2010-11</b>	<b>2011-12</b>	<b>2012-13</b>	<b>2013-14</b>	<b>2014-15</b>	<b>5 Year Total</b>
State General Fund	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Agy Self Generated	0	0	0	0	0	0
Stat Deds/Other	0	0	0	0	0	0
Federal Funds	0	0	0	0	0	0
Local Funds	0	0	0	0	0	0
Annual Total	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0

**Bill Information:**

**Current Law**

Under the current constitution, any bill containing benefit provisions for any Louisiana public retirement system that result in an actuarial cost requires only a majority vote of both houses of the Louisiana legislature to pass.

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**Proposed Law**

If House Bill 229 passes and the constitutional amendment is adopted by Louisiana voters, any bill with benefit provisions having an actuarial cost will require a 2/3 vote by both houses of the Louisiana legislature.

**Implications of the Proposed Changes**

A greater percentage of the members of the house and senate will have to vote in favor of such a bill in order for it to pass.

**Cost Analysis**

**Analysis of Actuarial Costs**

**Retirement Systems**

There is no actuarial cost to HB 229.

**Other Post Retirement Benefits**

There is no actuarial cost to HB 229

**Analysis of Fiscal Costs**

There is no fiscal cost to HB 229.

**Dual Referral**

Dual Referral: Fiscal Cost  $\geq$  \$500,000? **NO**