

Louisiana Deferred Compensation Commission
Meeting Minutes
November 18, 2025

The monthly meeting of the LA Deferred Compensation Commission was held on Tuesday, November 18, 2025, at 9:00 a.m. in the office of the Service Provider, 9100 Bluebonnet Centre Blvd, Suite 203, Baton Rouge, LA 70809.

Members Present

Doug Buras, Designee of Commissioner of Financial Institutions
Beverly Hodges, Chairperson and Participant Member
Andrea Hubbard, Vice Chairperson, Co-Designee of the Commissioner of Administration
Julius Roberson, Co-Designee of the LA State Treasurer
Cindy Rougeou, Participant Member
Laney Sanders, Secretary, Participant Member
Thomas Travis, Designee of the Commissioner of Insurance

Members Not Present

Representative Tony Bacala, Designee of the Speaker of the LA House of Representatives
Senator Valarie Hodges, Designee of the President of the Louisiana State Senate

Others Present

Justin Lester, State of Louisiana Attorney General's Office, Baton Rouge
Jason Decker, State of Louisiana Attorney General's Office, Baton Rouge
Marybeth Daubenspeck, Vice President, Government Markets, Empower, Denver-*via video conference*
Karen Monaghan, Sr Client Services Manager, Empower, Denver – *via video conference*
Shannon Dyse, Relationship Manager, Empower, Baton Rouge
Rich Massingill, Manager, Participant Engagement, Empower, Baton Rouge

Call to Order: Ms. Hodges called the meeting to order at 9:00 AM.

Roll Call of Commission Members: Mr. Dyse conducted roll call of members. A quorum was confirmed.

Public Comments: Ms. Hodges reported that there were no public comments.

Approval of Commission Meeting Minutes – October 21, 2025: Ms. Rougeou motioned to approve the October 21, 2025, minutes as presented. Mr. Roberson seconded the motion. The motion passed unanimously.

Wilshire 3Q2025 Performance Report

Mr. DiGirolamo presented the 3Q2025 Performance Report noting that all major asset classes reported positive returns, but volatility has increased in 4Q2025. Mr. DiGirolamo will attend the annual December Commission retreat to present a Target Date Fund Review and a proposed 2026 Active Manager meeting calendar.

Attorney General Updates

- **Rule Promulgation:** Mr. Lester reported that final rule changes will become effective on November 20, 2025, in the Louisiana Register and Administrative Code.
- **Executive Order Report:** Absent substantive edits from the Commission, counsel will finalize and file the executive order-related report with the Governor's office following rule effectiveness.

LADCP Contract Amendments

Mr. Dyse reported that he, Ms. Daubenspeck, Ms. Hubbard, Ms. Sanders, Mr. Lester, and Mr. Decker met on November 17 to review the draft contract amendment (2026-forward recordkeeping agreement) section by section.

Ms. Hubbard brought the following items to the attention of the Commission:

Term Length:

- RFP draft language referenced "years one through six."
- The Commission directed Empower to structure the contract as a **five-year initial term with a five-year renewal option (5 + 5)**, with fee guarantees aligned accordingly.

Participant Fees (Loans & QDROs):

For **new** transactions:

- Loan origination fee increases from **\$50 → \$75**.
- Loan annual maintenance fee increases from **\$25 → \$50**.
- QDRO ("Quadro") processing fee increases from **\$250 → \$400**.
- Existing loans are grandfathered at the current annual fee amount.

Empower will:

- Update Plan Highlights and loan/QDRO forms effective **1/1/2026**.
- Coordinate additional communications (newsletter/bulletin and/or fee recap) once broader admin-fee decisions are made.

Performance Bond & Corrective Action Language:

- Prior contract included a **\$2 million performance bond/letter of credit** for damages/expenses arising from Empower's failure to perform one or more of material duties.
- The bond was removed from the draft because it was not in the RFP and is now rare. Empower noted the separate bond costs **~\$15,000/year** and may duplicate other insurance and indemnification.
- Ms. Daubenspeck will confirm with Empower legal and insurance whether existing coverage appropriately protects the Commission. Language will be restored/corrected in the performance duties section so that, if corrective actions are not taken within 90 days, the Commission may take necessary steps to protect plan assets and assure continuity of operations.

Empower will incorporate edits and route a revised amendment to the subcommittee, with a goal of full Commission approval at the **December 16, 2025**, retreat if ready.

Service Provider's Report

- **Plan Update as of October 31, 2025:** Assets: \$2,566B; YTD asset gain (+8.9% year-over-year). Contributions: \$102.91M; Distributions: \$190.33M; Net appreciation: \$297.43M.
- **Unallocated Plan Account (UPA)** ending balance as of October 31, 2025: \$2,932,495.61. The effective date of the newly created second UPA account is 11/3/2025.
- **Hardships:** Forty-one requests; Thirty-three approved; Eight cancelled; \$94,373 disbursed.

Hardship and Furloughed Employees

For the recent federal shutdown, if approved by the Commission, Empower will accept the **Governor's furlough letter + unforeseeable emergency application** as sufficient documentation to consider cases, subject to normal facts-and-circumstances review and IRS criteria.

Commission and counsel discussed whether current forms and processes fully reflect the plan document's more open-ended definition of "unforeseeable emergency." Topics included:

- Whether to add an "other" category beyond standard IRS examples (medical, foreclosure/eviction, funeral, casualty).
- Operational impact of case-by-case reviews, including escalation to the Commission.
- IRS risk if standards are applied too loosely in non-disaster contexts.

Counsel and Empower will review IRS guidance, prior disaster relief (COVID, hurricanes, etc.), and options for refining the process. No formal changes were adopted at this meeting.

LA HR Community Outreach- Next Step

Three HR/employer sessions with OSUP were conducted on October 23, 2025:

- Session 1: 100 registered / 86 attended.
- Session 2: 43 registered / 35 attended.
- Session 3: ~14 registered / 18 attended (due to link sharing).

Attendance remained strong throughout each session, with minimal early exits. Empower is finalizing an employer resource page, converting content into an on-demand, chaptered module, and preparing a post-event survey.

3Q2025 Participant Engagement Activity and LADCP Plan Review Highlights

The 3Q2025 Participant Engagement Activity Report and the LADCP Plan Review Highlights reports were moved to the January 2026 Commission Meeting agenda.

December Retreat Planning/Meeting Schedule: December 16, 2025, 8:00 AM – 12:00 PM, at LASERS.

Mr. Dyse reviewed the structure and proposed retreat agenda which will begin with the standard Commission business segment followed by the training portion to include:

- Fiduciary training
- Empower AI overview
- UPA and fee-modeling review
- IPS discussion
- Participant web experience and Best Interest Profile (BIP) tool demo

Wilshire will present:

- Target date fund peer review.
- Proposed 2026 manager meeting rotation.

Employer + participant outreach strategy and the broader strategic partnership plan will be targeted for the **January 2026** Commission Meeting.

OnBoard Portal Renewal

The Commission reviewed the OnBoard portal renewal notification noting the December 21, 2025, renewal date. Ms. Rougeou motioned to renew the OnBoard contract. Mr. Buras seconded the motion. The motion carried unanimously.

Adjournment

With there being no further items of business to come before the Commission, Chairperson Hodges declared the meeting adjourned at 10:12 a.m.

Laney Sanders, Secretary