

2025 Regular Session

HOUSE BILL NO. 473

BY REPRESENTATIVE EMERSON

Prefiled pursuant to Article III, Section 2(A)(4)(b)(i) of the Constitution of Louisiana.

FUNDS/FUNDING: (Constitutional Amendment) Provides relative to the application of state monies to the unfunded accrued liability of the Teachers' Retirement System of La.

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A JOINT RESOLUTION

Proposing to amend Article VII, Section 10.8(A)(1), (2), and (4) and (C)(1) of the Constitution of Louisiana, to enact Article VII, Section 10.17, and to repeal Article VII, Sections 10(F)(4)(d), 10.1, and 10.8(A)(3) and (C)(3), relative to monies in the state treasury; to repeal the Education Excellence Fund within the Millennium Trust, the Louisiana Education Quality Trust Fund, and the Louisiana Quality Education Support Fund; to apply monies held in those funds to liabilities of the Teachers' Retirement System of Louisiana; to direct the state treasurer to take certain actions with respect to monies in repealed funds; to provide for calculation and transfer of such monies to the Overcollections Fund for use by specified entities pursuant to outlined restrictions; to execute technical changes; to establish an effective date; to provide for submission of the proposed amendment to the electors; and to provide for related matters.

Section 1. Be it resolved by the Legislature of Louisiana, two-thirds of the members elected to each house concurring, that there shall be submitted to the electors of the state of Louisiana, for their approval or rejection in the manner provided by law, a proposal to amend Article VII, Section 10.8(A)(1), (2), and (4) and (C)(1) of the Constitution of Louisiana and to enact Article VII, Section 10.17 to read as follows:

1 §10.8. Millennium Trust

2 Section 10.8. Millennium Trust

3 (A) Creation. (1) There shall be established in the state treasury as a special
4 permanent trust the "Millennium Trust". After allocation of money to the Bond
5 Security and Redemption Fund as provided in Article VII, Section 9(B) of this
6 constitution, the treasurer shall deposit in and credit to the Millennium Trust certain
7 monies received as a result of the Master Settlement Agreement, hereinafter the
8 "Settlement Agreement", executed November 23, 1998, and approved by Consent
9 Decree and Final Judgment entered in the case "Richard P. Ieyoub, Attorney
10 General, ex rel. State of Louisiana v. Philip Morris, Incorporated, et al.", bearing
11 Number 98-6473 on the docket of the Fourteenth Judicial District for the parish of
12 Calcasieu, state of Louisiana; and all dividend and interest income and all realized
13 capital gains on investment of the monies in the Millennium Trust. The treasurer
14 shall deposit in and credit to the Millennium Trust ~~the following amounts of monies~~
15 ~~received as a result of the Settlement Agreement:~~

16 (a) ~~Fiscal Year 2000-2001, forty-five percent of the total monies received~~
17 ~~that year:~~

18 (b) ~~Fiscal Year 2001-2002, sixty percent of the total monies received that~~
19 ~~year:~~

20 (c) ~~Fiscal Year 2002-2003 and each fiscal year thereafter, seventy-five~~
21 ~~percent of the total monies received that year: each fiscal year as a result of the~~
22 ~~Settlement Agreement. However, beginning in Fiscal Year 2011-2012 after the~~
23 ~~balance in the Millennium Trust reaches a total of one billion three hundred eighty~~
24 ~~million dollars, the The monies deposited in and credited to the Millennium Trust,~~
25 ~~received as a result of the Settlement Agreement, shall be allocated to the various~~
26 ~~funds within the Millennium Trust as provided in Subsubparagraphs (2)(b), (3)(b),~~
27 ~~and (4)(b) and (c) of this Paragraph: TOPS Fund.~~

28 (d) ~~For Fiscal Year 2000-2001, Fiscal Year 2001-2002, and Fiscal Year~~
29 ~~2002-2003, ten percent of the total monies received in each of those years for credit~~

1 ~~to the Education Excellence Fund which, notwithstanding the provisions of~~
2 ~~Subparagraph (C)(1) of this Section, shall be appropriated for the purposes provided~~
3 ~~in Subsubparagraph (d) of Subparagraph (3) of Paragraph (C) of this Section.~~

4 (2)(a) The Health Excellence Fund shall be established as a special fund
5 within the Millennium Trust. ~~The treasurer shall credit to the Health Excellence~~
6 ~~Fund one-third of the Settlement Agreement proceeds deposited each year into the~~
7 ~~Millennium Trust, and one-third of all investment earnings on the investment of the~~
8 ~~Millennium Trust. The treasurer shall report annually to the legislature as to the~~
9 ~~amount of Millennium Trust investment earnings credited to the Health Excellence~~
10 ~~Fund.~~

11 ~~(b) Beginning Fiscal Year 2011-2012, and each fiscal year thereafter, the~~
12 The treasurer shall credit to the Health Excellence Fund ~~one-third~~ one-half of all
13 investment earnings on the investment of the Millennium Trust. The treasurer shall
14 report annually to the legislature as to the amount of Millennium Trust investment
15 earnings credited to the Health Excellence Fund.

16 ~~(c)~~ (b) ~~Beginning on July 1, 2012, after~~ After allocation of money to the
17 Bond Security and Redemption Fund as provided in Article VII, Section 9(B) of this
18 constitution, the state treasurer shall deposit in and credit to the Health Excellence
19 Fund an amount equal to the revenues derived from the tax levied pursuant to R.S.
20 47:841(B)(3).

21 * * *

22 (4)(a) The TOPS Fund shall be established as a special fund within the
23 Millennium Trust. ~~The treasurer shall deposit in and credit to the TOPS Fund one-~~
24 ~~third of the Settlement Agreement proceeds deposited into the Millennium Trust, and~~
25 ~~one-third of all investment earnings on the investment of the Millennium Trust. The~~
26 ~~treasurer shall report annually to the legislature as to the amount of Millennium Trust~~
27 ~~investment earnings credited to the TOPS Fund.~~

28 ~~(b) Beginning Fiscal Year 2011-2012, and each fiscal year thereafter, the~~
29 The treasurer shall credit to the TOPS Fund one hundred percent of the Settlement

CODING: Words in ~~struck through~~ type are deletions from existing law; words underscored are additions.

1 Agreement proceeds deposited into the Millennium Trust, and ~~one-third~~ one-half of
2 all investment earnings on the investment of the Millennium Trust. The treasurer
3 shall report annually to the legislature as to the amount of Millennium Trust
4 Settlement Agreement proceeds and investment earnings credited to the TOPS Fund.

5 ~~(c) Upon the effective date of this Subsubparagraph, the state treasurer shall~~
6 ~~deposit, transfer, or otherwise credit funds in an amount equal to such Settlement~~
7 ~~Agreement proceeds deposited in and credited to the Millennium Trust received by~~
8 ~~the state between April 1, 2011 and the effective date of this Subsubparagraph to the~~
9 ~~TOPS Fund.~~

10 * * *

11 (C) Appropriations. ~~(1)(a) Appropriations from the Education Excellence~~
12 ~~Fund shall be limited to an annual amount not to exceed the estimated aggregate~~
13 ~~annual earnings from interest, dividends, and realized capital gains on investment of~~
14 ~~the trust allocated as provided by Paragraph (A) of this Section and as recognized by~~
15 ~~the Revenue Estimating Conference. Amounts determined to be available for~~
16 ~~appropriation shall be those aggregate investment earnings which are in excess of an~~
17 ~~inflation factor as determined by the Revenue Estimating Conference. The amount~~
18 ~~of realized capital gains on investment which may be included in the aggregate~~
19 ~~earnings available for appropriation in any year shall not exceed the aggregate of~~
20 ~~earnings from interest and dividends for that year.~~

21 ~~(b)(i) For Fiscal Year 2011-2012, appropriations from the Health Excellence~~
22 ~~Fund shall be limited to an annual amount not to exceed the estimated aggregate~~
23 ~~annual earnings from interest, dividends, and realized capital gains on investment of~~
24 ~~the trust and credited to the Health Excellence Fund as provided by Subsubparagraph~~
25 ~~(A)(2)(b) of this Section and as recognized by the Revenue Estimating Conference.~~

26 ~~(ii) For Fiscal Year 2012-2013, and each fiscal year thereafter,~~
27 ~~appropriations~~ Appropriations from the Health Excellence Fund shall be limited to
28 an annual amount not to exceed the estimated aggregate annual earnings from
29 interest, dividends, and realized capital gains on investment of the trust and credited

1 to the Health Excellence Fund as provided by Subsubparagraph ~~(A)(2)(b)~~ (A)(2)(a)
2 of this Section and as recognized by the Revenue Estimating Conference and the
3 amount of proceeds credited to and deposited into the Health Excellence Fund as
4 provided by Subsubparagraph ~~(A)(2)(c)~~ (A)(2)(b) of this Section.

5 ~~(c)(i) For Fiscal Year 2011-2012, appropriations from the TOPS Fund shall~~
6 ~~be limited to the amount of Settlement Agreement proceeds credited to and deposited~~
7 ~~into the TOPS Fund as provided by Subsubparagraphs (A)(4)(b) and (c) of this~~
8 ~~Section, and an annual amount not to exceed the estimated aggregate annual earnings~~
9 ~~from interest, dividends, and realized capital gains on investment of the trust and~~
10 ~~credited to the TOPS Fund as provided by Subsubparagraph (A)(4)(b) of this Section~~
11 ~~and as recognized by the Revenue Estimating Conference.~~

12 ~~(ii) (b)(i) For Fiscal Year 2012-2013, and each fiscal year thereafter,~~
13 ~~appropriations~~ Appropriations from the TOPS Fund shall be limited to the amount
14 of annual Settlement Agreement proceeds credited to and deposited into the TOPS
15 Fund as provided in ~~Subsubparagraph (A)(4)(b)~~ Subparagraph (A)(4) of this Section,
16 and an annual amount not to exceed the estimated aggregate annual earnings from
17 interest, dividends, and realized capital gains on investment of the trust and credited
18 to the TOPS Fund as provided in ~~Subsubparagraph (A)(4)(b)~~ Subparagraph (A)(4)
19 of this Section and as recognized by the Revenue Estimating Conference.

20 ~~(iii) (ii) Further, for Fiscal Year 2011-2012, and each fiscal year thereafter,~~
21 ~~amounts~~ Amounts determined to be available for appropriation from the TOPS Fund
22 from interest earnings shall be those aggregate investment earnings which are in
23 excess of an inflation factor as determined by the Revenue Estimating Conference.
24 The amount of realized capital gains on investment which may be included in the
25 aggregate earnings available for appropriation in any year shall not exceed the
26 aggregate of earnings from interest and dividends for that year.

27 * * *

CODING: Words in ~~struck through~~ type are deletions from existing law; words underscored are additions.

1 §10.17. Payment of State Retirement Debt

2 Section 10.17.(A)(1) Notwithstanding any other provision of this
3 constitution to the contrary, no later than April 1, 2027, the state treasurer shall
4 transfer to the Teachers' Retirement System of Louisiana the liquidated fair market
5 value of each of the following:

- 6 (a) The Education Excellence Fund.
- 7 (b) The Louisiana Education Quality Trust Fund.
- 8 (c) The Louisiana Quality Education Support Fund.

9 (2) The Teachers' Retirement System of Louisiana shall apply monies
10 received pursuant to Subparagraph (1) of this Paragraph to its oldest outstanding
11 positive amortization base. After liquidation of such base, any remaining monies
12 shall be applied to the next-oldest outstanding positive amortization base, until all
13 such monies have been applied. If application of monies pursuant to the provisions
14 of this Subparagraph are insufficient to fully liquidate an amortization base, after
15 application of such monies the net remaining liability of such amortization base shall
16 be reamortized with annual level-dollar payments calculated in the same manner as
17 other system amortization payments and over the remainder of the amortization
18 period originally established for that base.

19 (B) Any net savings attributable to the payments made pursuant to Paragraph
20 (A) of this Section shall be used as provided by law.

21 Section 2. Article VII, Sections 10(F)(4)(d), 10.1, and 10.8(A)(3) and (C)(3) are
22 hereby repealed in their entirety.

23 Section 3. Within four weeks of the effective date of this Act, the Department of
24 Education shall coordinate with the Department of Treasury to certify amounts maintained
25 in the Education Excellence Fund held to the credit of a political subdivision or school. The
26 state treasurer is hereby authorized and directed to transfer to the Overcollections Fund and
27 amount equal to the total certified balance. Notwithstanding any provision of constitution
28 or law to the contrary, monies held in the Overcollections Fund pursuant to the provisions
29 of this Section may be withdrawn by the Department of Education without appropriation in

1 order to remit to each entity its certified amount prior to the end of fiscal year 2026-2027.
2 Use of monies received pursuant to the provisions of this Section shall be restricted to
3 expenditure for pre-kindergarten through twelfth grade instructional enhancement for
4 students, including early childhood education programs focused on enhancing the
5 preparation of at-risk children for school, remedial instruction, and assistance to children
6 who fail to achieve the required scores on any tests passage of which are required pursuant
7 to state law or rule for advancement to a succeeding grade or other educational programs
8 approved by the legislature. Expenditures for maintenance or renovation of buildings, capital
9 improvements, and increases in employee salaries are prohibited.

10 Section 4. Within four weeks of the effective date of this Act, the State Board of
11 Elementary and Secondary Education and the Board of Regents shall each coordinate with
12 the Department of Treasury to certify amounts maintained in the Louisiana Quality
13 Education Support Fund held to the agency's credit within the fund. The state treasurer is
14 hereby authorized and directed to transfer to the Overcollections Fund an amount equal to
15 the certified balances of each agency. Monies held in the Overcollections Fund for each
16 agency shall be appropriated and used in accordance with the following:

17 (A) Higher Education. Monies attributable to the certified balance of the Board of
18 Regents shall be appropriated to the Board of Regents and allocated for any or all of the
19 following higher educational purposes to enhance economic development:

20 (1) The carefully defined research efforts of public and private universities in
21 Louisiana.

22 (2) The endowment of chairs for eminent scholars.

23 (3) The enhancement of the quality of academic, research, or agricultural
24 departments or units within a community college, college, or university.

25 These funds shall not be used for athletic purposes or programs.

26 (4) The recruitment of superior graduate students.

27 (B) Elementary and Secondary Education. Monies attributable to the State Board
28 of Elementary and Secondary Education shall be appropriated to the State Board of
29 Elementary and Secondary Education and allocated for any or all of the following purposes:

- 1 (1) To provide compensation to city or parish school board professional
2 instructional employees.
- 3 (2) To insure an adequate supply of superior textbooks, library books,
4 equipment, and other instructional materials.
- 5 (3) To fund exemplary programs in elementary and secondary schools designed
6 to improve elementary or secondary student academic achievement or
7 vocational-technical skill.
- 8 (4) To fund carefully defined research efforts, including pilot programs,
9 designed to improve elementary and secondary student academic
10 achievement.
- 11 (5) To fund school remediation programs and preschool programs.
- 12 (6) To fund the teaching of foreign languages in elementary and secondary
13 schools.
- 14 (7) To fund an adequate supply of teachers by providing scholarships or stipends
15 to prospective teachers in academic or vocational-technical areas where there
16 is a critical teacher shortage.

17 Section 5.(A) Notwithstanding any provision of this Act to the contrary, any transfer
18 to the Teachers' Retirement System of Louisiana pursuant to the provisions of this Act shall
19 be net of amounts needed to satisfy the requirements of Sections 3 and 4 of this Act and
20 amounts needed to satisfy 2026-2027 fiscal year appropriations from the following funds:

- 21 (1) Louisiana Education Quality Trust Fund.
- 22 (2) Louisiana Quality Education Support Fund.
- 23 (3) Education Excellence Fund.

24 (B) Unexpended monies in each of the funds listed in Paragraph (A) of this Section
25 shall be transferred to the state general fund on July 1, 2027. No appropriation from any
26 such fund from the 2026-2027 fiscal year shall be carried forward to next fiscal year.

27 Section 6. Notwithstanding any provision of law to the contrary, after the effective
28 date of this Act, unless or until directed otherwise by law the treasurer shall deposit into the

1 state general fund any monies that would have been deposited in or credited to the following
2 funds:

- 3 (A) Louisiana Education Quality Trust Fund.
4 (B) Louisiana Quality Education Support Fund.
5 (C) Education Excellence Fund.

6 Section 7. The provisions of this Act shall become effective January 1, 2027.

7 Section 8. Be it further resolved that this proposed amendment shall be submitted
8 to the electors of the state of Louisiana at the statewide election to be held on November 3,
9 2026.

10 Section 9. Be it further resolved that on the official ballot to be used at the election,
11 there shall be printed a proposition, upon which the electors of the state shall be permitted
12 to vote YES or NO, to amend the Constitution of Louisiana, which proposition shall read as
13 follows:

14 Do you support an amendment to repeal the Education Excellence Fund
15 within the Millennium Trust, the Louisiana Education Quality Trust Fund,
16 and the Louisiana Quality Education Support Fund and to apply monies held
17 in those funds to liabilities of the Teachers' Retirement System of Louisiana?
18 (Effective January 1, 2027) (Amends Article VII, Section 10.8(A)(1), (2),
19 and (4) and (C)(1); Adds Article VII, Section 10.17; Repeals Article VII,
20 Sections 10(F)(4)(d), 10.1, and 10.8(A)(3) and (C)(3))

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 473 Reengrossed

2025 Regular Session

Emerson

Abstract: Repeals certain funds in the state treasury and applies the monies from those funds to the Unfunded Accrued Liability (UAL) of the Teachers' Retirement System of La. (TRSL).

LA. EDUCATION QUALITY TRUST FUND (LEQTF)

Present constitution (Art. VII, §10.1) establishes the LEQTF. Requires certain portions of monies received by the state from a settlement with the federal government regarding mineral production activity or leasing activity on the Outer Continental Shelf be deposited

into the LEQTF and held as part of a permanent trust fund. Further requires deposit into the permanent trust fund of 25% of the interest income earned on investment of monies in the permanent trust fund, 75% of the realized capital gains on permanent trust fund monies, and 25% of dividend income earned on permanent trust fund monies. Prohibits appropriation from the permanent trust fund.

Within the LEQTF, present constitution also establishes the "Support Fund" and requires deposit of 75% of the recurring revenues received pursuant to federal law (43 U.S.C. 1337(g)) which are attributable to mineral production activity or leasing activity. Further requires deposit of the percent remaining of the realized capital gains and interest income and dividend income earned on investment of the permanent trust fund.

Requires deposits in conformity with allocations described above until the balance in the permanent trust fund reached \$2 B. Thereafter requires all interest earnings and all recurring revenues be credited to the Support Fund.

Requires monies in the permanent trust fund to be invested by the treasurer and authorizes up to 35% to be invested in stock. Authorizes monies in the Support Fund to be available to pay expenses incurred in the investment and management of the permanent trust fund and for educational purposes as provided in present constitution.

Present constitution requires the State Board of Elementary and Secondary Education (BESE) and the Board of Regents to submit annual reports to the legislature regarding proposed programs and budgets for monies in the Support Fund.

Present constitution authorizes appropriation from the Support Fund only for investment and management expenses and for educational purposes. Requires available monies to be appropriated equally between higher education and elementary and secondary education purposes. Requires appropriation of monies for educational purposes be made to the Board of Regents and BESE.

Present constitution prohibits monies appropriated from the Support Fund from displacing, replacing, or supplanting appropriations from the general fund for other educational purposes. With certain exceptions, prohibits appropriation of monies for any fiscal year from the Support Fund for any purpose for which a general fund appropriation was made in the previous year.

Present constitution provides a list of eligible purposes for monies appropriated to the Board of Regents from the Support Fund, including the endowment of chairs for eminent scholars and enhancing the quality of academic, research, or agricultural departments or unites within an institution. Provides a list of eligible purposes for monies appropriated to BESE from the Support Fund, including compensation to professional instructional employees, insuring adequate supply of instructional materials, and funding school remediation programs.

Proposed constitutional amendment repeals present constitution.

MILLENNIUM TRUST

Present constitution (Art. VII, §10.8) establishes the Millennium Trust as a special permanent trust in the state treasury. Requires deposit of certain monies received by the state as a result of settling litigation against certain tobacco product manufacturers.

Present constitution establishes three funds within the Millennium Trust: the Health Excellence Fund, the Education Excellence Fund, and the TOPS Fund. As further explained below, proposed constitutional amendment makes structural changes to the Health Excellence and TOPS Funds and repeals the Education Excellence Fund in its entirety.

Present constitution requires deposit into the Millennium Trust of 75% of the total monies received each year. Present constitution requires that, beginning after the balance in the Millennium Trust reaches a total of \$1.38 B monies deposited into the trust shall be allocated to the various funds within the trust in accordance with present constitution.

(a) Health Excellence Fund

Present constitution requires the treasurer to credit to the Health Excellence Fund one-third of all investment earnings on the investment of monies in the trust. Further requires deposit into the Health Excellence Fund of the revenues derived from the 4/20 of one cent per cigarette tax levied pursuant to present law (R.S. 47:841(B)(3)). Requires the treasurer to report annually to the legislature as to the amount of investment earnings credited to the Health Excellence Fund. Proposed constitutional amendment increases the amount of investment earnings that must be deposited in the account from one-third to one-half. Otherwise retains present constitution.

Present constitution limits appropriations from the Health Excellence Fund to an annual amount not to exceed the estimated aggregate annual earnings from interest, dividends, and realized capital gains on investment of the trust credited to the Health Excellence Fund and the amount of proceeds credited to the fund from the cigarette tax avails (R.S. 47:841(B)(3)).

Present constitution restricts use of monies from the Health Excellence Fund to certain enumerated purposes, including initiatives to ensure the optimal development of La.'s children through the provision of appropriate health care and initiatives to benefit the citizens of La. with respect to health care.

Proposed constitutional amendment retains present constitution.

(b) Education Excellence Fund

Present constitution requires the treasurer to credit to the Education Excellence Fund 1/3 of all investment earnings on the investment of monies in the trust.

Present constitution limits appropriations from the Education Excellence Fund to an annual amount not to exceed the estimated aggregate annual earnings from interest, dividends, and realized capital gains on investment of the trust allocated as provided in present constitution. Limits appropriation to those aggregate investment earnings which were in excess of an inflation factor as determined by the Revenue Estimating Conference. Limits the amount of realized capital gains on investment which could be included in the aggregate earnings available for appropriation from exceeding the aggregate of earnings from interest and dividends for that year.

Present constitution restricts use of monies from the Education Excellence Fund to certain enumerated purposes, including to the La. Educational Television Authority and certain special schools, for independent public schools approved by BESE, and for distribution to each city, parish, and other local school system on a pro rata basis based on a prescribed student population ratio. Further restricts expenditures to pre-kindergarten through twelfth grade instructional enhancement for students. Specifically prohibits expenditures for maintenance or renovation of buildings, capital improvements, and increases in employee salaries. Requires each recipient entity to annually prepare and submit to the state Dept. of Education a plan for expenditure of Education Excellence funds. Prohibits amounts appropriated pursuant to present constitution from displacing, replacing, or supplanting appropriations from the general fund for elementary and secondary education, including implementing the Minimum Foundation Program. Requires the treasurer to maintain a record of the amounts appropriated that remained in the state treasury. Any such amounts, and

investment earnings attributable to such amounts remain to the credit of each recipient entity at the close of each fiscal year.

Proposed constitutional amendment repeals present constitution.

(c) TOPS Fund

Present constitution requires the treasurer to credit to the TOPS Fund 100% of the settlement agreement proceeds deposited into the Millennium Trust. Present constitution allocates 1/3 of all investment earnings on the investment of trust monies to the TOPS Fund. Requires the treasurer to report annually to the legislature as to the amount of investment earnings credited to the TOPS Fund. Proposed constitutional amendment increases the amount of investment earnings deposited into the TOPS Fund from one-third to one-half. Otherwise retains present constitution.

Present constitution limits appropriations from the TOPS Fund to the amount of annual settlement agreement proceeds credited to the fund and an annual amount not to exceed the estimated aggregate annual earnings from interest, dividends, and realized capital gains on investment of the trust. Further limits appropriation to those aggregate investment earnings which are in excess of an inflation factor as determined by the Revenue Estimating Conference.

Present constitution restricts use of monies from the TOPS Fund to the support of state programs for financial assistance for students attending La. institutions of postsecondary education.

Proposed constitutional amendment retains present constitution.

RETIREMENT DEBT PAYMENT

Proposed constitutional amendment (Art. VII, §10.17) requires the treasurer to transfer to the Teachers' Retirement System of La. no later than April 1, 2027, the liquidated fair market value of each of the following funds:

- (1) The Education Excellence Fund.
- (2) LEQTF.
- (3) The La. Quality Education Support Fund.

Proposed constitutional amendment requires the Teachers' Retirement System of La. to apply such monies to its oldest debt. Provides that if such monies are insufficient to fully liquidate a debt schedule, the system shall reamortize the remaining debt for that schedule with annual level-dollar payments over the remainder of the original amortization period.

Proposed constitutional amendment further provides that a participating employer's net savings attributable to the payments made pursuant to proposed constitutional amendment shall be used as provided by law.

MONIES HELD IN FUNDS TO BE REPEALED

Proposed constitutional amendment (Sections 3 & 4 of this Act) establish timelines and protocols for withdrawal of monies held in the Education Support Fund and the Education Excellence Fund to the credit of certain entities. Require certified balances owed to be

transferred by the treasurer to the Overcollections Fund. Provides restrictions on use of monies held in the Overcollections Fund pursuant to proposed constitutional amendment

Proposed constitutional amendment (Section 5 of this Act) retains certain sums in the following accounts for satisfaction of monies held to the credit of certain entities and fiscal year 2026-2027 appropriations from such funds:

- (1) LEQTF.
- (2) La. Quality Education Support Fund.
- (3) Education Excellence Fund.

Further provides that, notwithstanding any provision of proposed constitutional amendment to the contrary, transfers from such funds to the Teachers' Retirement System of La. are net of such amounts.

After the effective date of proposed constitutional amendment (Section 6 of this Act) deposits into the following funds are prohibited:

- (1) LEQTF.
- (2) La. Quality Education Support Fund.
- (3) Education Excellence Fund.

Proposed constitutional amendment further directs the treasurer, until directed otherwise by law, to deposit monies that would have been deposited into such fund into the state general fund.

TECHNICAL CHANGES

Present constitution (Art. VII, §10) exempts certain funds and allocations from deficit avoidance procedures. Proposed constitutional amendment repeals exemption for LEQTF.

Proposed constitutional amendment makes technical and conforming changes throughout.

Effective Jan. 1, 2027.

Provides for submission of the proposed amendment to the voters at the statewide election to be held November 3, 2026.

(Amends Art. VII, §10.8(A)(1), (2), and (4) and (C)(1); Adds Art. VII, §10.17; Repeals Art. VII, §§10(F)(4)(d), 10.1, and 10.8(A)(3) and (C)(3))