RÉSUMÉ DIGEST

ACT 229 (SB 20) **2026 Regular Session** **Price**

Existing law requires the employer contribution rate for each state public retirement system, including the Louisiana School Employees' Retirement System (LSERS), to be based on the actuarially required contribution divided by active member payroll.

New law removes the exception to setting employer contribution rates relative to priority excess return allocations for LSERS.

Prior law required that excess investment returns for LSERS be applied to the amortization base. If the system's investment experience exceeded the actuarially assumed rate of return, the excess was applied to the oldest outstanding amortization base. New law repeals the application of excess returns to the amortization base, as well as the "priority amount" and "priority allocation" mechanisms.

Prior law required the LSERS experience account be credited with a portion of the system's net investment gains, subject to limitations, and be used to fund permanent benefit increases for retirees which required that certain funding thresholds be met. New law eliminates the mechanism for crediting and debiting the account based on investment gains and losses.

Effective May 15, 2026.

(Amends R.S. 11:102(B)(1)(a)(intro para); repeals R.S. 11:102(E)(4), 102.3, and 1145.1)