



1           WHEREAS, the Louisiana constitution requires that the legislature provide for the  
2 funding of employer contributions owed to the state retirement systems, including specific  
3 funding for amortization of the unfunded accrued liability of each system; and

4           WHEREAS, state law requires that the executive budget contain specific reports  
5 listing discretionary and nondiscretionary expenditures for each state agency, and provides  
6 for a non-exclusive list of items which are to be considered "nondiscretionary expenditures";  
7 and

8           WHEREAS, since the unfunded accrued liabilities of the state retirement systems are  
9 a mandatory state budget obligation, information concerning these state liabilities should be  
10 included as nondiscretionary expenditures in the state budget.

11           THEREFORE, BE IT RESOLVED that the Legislature of Louisiana does hereby  
12 urge and request the commissioner of administration to include within each executive budget  
13 listing of nondiscretionary expenditures, an illustrative estimate of the amounts necessary  
14 for funding for each state agency to provide for the employer portion of the normal cost, the  
15 unfunded accrued liability existing as of June 30, 1988, and any additional unfunded accrued  
16 liability.

17           BE IT FURTHER RESOLVED that it is understood that a calculation of an official  
18 estimated amount to be payable each year by state agencies could be burdensome and cause  
19 confusion with other estimates developed for purposes of funding the systems, therefore it  
20 is requested that the commissioner of administration develop a method of calculating an  
21 illustrative estimate for this purpose, to be based upon information available which may  
22 include the most recent actuarial valuation report approved by the Public Retirement  
23 Systems' Actuarial Committee and any other information deemed appropriate for this  
24 purpose by the commissioner.

25           BE IT FURTHER RESOLVED, that any estimated amount included in an executive  
26 budget concerning unfunded accrued liabilities shall be deemed to be exclusively for general  
27 informational purposes to aid members of the Louisiana Legislature and the public, and shall  
28 thus be unacceptable for utilization for any other purpose.

29           BE IT FURTHER RESOLVED that a suitable copy of this Resolution be transmitted  
30 to the commissioner of administration.

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)]

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Ivey

Urge and request the commissioner of administration to include an illustrative estimate of the amounts necessary for payment of the employer portion of the normal cost and UAL amortization costs for the state retirement systems within the executive budget's and supporting document's list of nondiscretionary expenditures.