

RÉSUMÉ DIGEST

ACT 359 (HB 17)

2022 Regular Session

DeVillier

Existing law relative to the La. School Employees' Retirement System (LSERS) establishes an "experience account" within the system for the accumulation of certain system funds. Provides for utilization of these funds for benefit increases, commonly called "permanent benefit increase" (PBI), for retirees, survivors, and beneficiaries of the system.

New law authorizes the LSERS board of trustees to pay a PBI, from the experience account, to the following retirees and beneficiaries:

- (1) Any retiree, other than a disability retiree, who has attained at least age 60 and who has received a benefit for at least one year.
- (2) Any nonretiree beneficiary whose receipt of benefits is not based on the death of a disability retiree, if benefits had been paid to the retiree or the beneficiary, or both combined, for at least one year and if the retiree would have attained age 60.
- (3) Any disability retiree or a person who receives benefits from the system based on the death of a disability retiree, if benefits have been paid to the retiree or the beneficiary, or both combined, for at least one year.

New law provides that the amount of the PBI shall not be more than 1.5% of the benefit amount. Requires confirmation by the legislative auditor's actuary that funds in the experience account are sufficient to fully fund the PBI.

Existing law, applicable to PBIs granted by LSERS after July 1, 2015, provides that the increase is limited to and shall be paid only on an annual benefit amount not to exceed \$60,000 adjusted for inflation since 2015.

New law requires that any cost of new law be funded with monies from the LSERS experience account and any additional cost be funded with additional employer contributions in compliance with Art. X, Sec. 29(F) of the state constitution.

Effective upon signature of governor (June 10, 2022).

(Adds R.S. 11:1145.5)