

## HOUSE SUMMARY OF SENATE AMENDMENTS

**HB 5**

**2024 Third Extraordinary Session**

**Bacala**

TEACHERS/SALARY: Requires school systems to provide a salary increase for teachers and other school employees using savings attributable to the state's payment of certain unfunded accrued liability of the Teachers' Retirement System of Louisiana (Item #2)

### Synopsis of Senate Amendments

1. Modify authorized uses of excess savings by removing instruction and adding early childhood education and the employment of personnel for certain purposes.
2. Apply salary increases to employees on certain types of leave.
3. Require each school system to place the salary increases on its salary schedule.
4. Provide that the increases shall not supplant or offset compensation to which personnel were entitled prior to the enactment of proposed law.
5. Provide that a school system is not required to provide the increases in excess of its net savings amount.
6. Refer to personnel in positions identified by function and object codes as provided in BESE rule.
7. Add a reporting requirement for school systems and the state Dept. of Education relative to proposed law.
8. Require salary increase to include retirement costs instead of related benefits.

### Digest of Bill as Finally Passed by Senate

Proposed law requires each public school system to provide a salary increase, plus any associated retirement costs, of at least \$2,000 for certificated personnel and at least \$1,000 for noncertificated personnel that shall be applied beginning with the 2025-2026 school year. Requires each school system to fund the increase and retirement costs using the net savings realized by the system from the reduction in its employer contribution rate for FY 2025-2026 attributable to the state's payment of certain unfunded accrued liability of the Teachers' Retirement System of La. (TRSL) as provided in proposed constitutional amendment (House Bill No. 7 of this 2024 3ES).

Proposed law specifies that personnel shall receive the increase if the position is based on the staffing data submitted to the state Dept. of Education as of Oct. first and provides specific codes as listed in State Bd. of Elementary and Secondary Education rule for personnel in positions eligible for the increase.

Proposed law requires each school system to place the increases on its salary schedule and provides that the increases shall not supplant or offset compensation to which personnel were entitled prior to the enactment of proposed law.

Proposed law provides that if the amount of the net savings realized by a school system is insufficient to fully fund the salary increases in the amounts specified in proposed law, plus

retirement costs, the school system is not required to provide the increases and costs in excess of the net savings amount. Provides that the remaining amount necessary to fully fund such salary increases and costs shall be provided for in the minimum foundation program (MFP) formula.

Proposed law provides that if the amount of net savings realized by a school system is in excess of the amount needed to fully fund the salary increases in the amounts specified in proposed law, plus retirement costs, the school system shall only expend such excess savings on the following:

- (1) Employing certain personnel in critical shortage areas.
- (2) Employing personnel for summer enrichment programs.
- (3) Early childhood education programs for at-risk children.
- (4) School security enhancements.

Proposed law requires each school system to provide an annual report regarding the implementation of proposed law and compliance with proposed law and requires the department to provide an annual report to the House and Senate education committees relative to such compliance. Requires school systems that do not comply with proposed law to appear before the committees.

Proposed law provides that for proposed law purposes:

- (1) "Personnel" means persons employed in the positions for which an across-the-board pay raise was proposed in the FY 2023-2024 MFP formula for that fiscal year and for which a stipend was provided for FY 2024-2025 in Act No. 4 of the 2024 RS (the employees in positions identified by the aforementioned codes).
- (2) "Public school system" means any city, parish, or other local public school board, any charter school, or any other elementary or secondary school governing authority that participates in TRSL.

Effective if and when the proposed amendment of Article VII of the Constitution of La. contained in the Act which originated as House Bill No. 7 of this 2024 3ES of the Legislature is adopted at a statewide election and becomes effective.

(Adds R.S. 17:418.1 and 3996(B)(89))