

2020 Regular Session

HOUSE RESOLUTION NO. 21

BY REPRESENTATIVE HARRIS

RETIREMENT BENEFITS: Requests the state retirement systems to provide information to the legislature regarding permanent benefit increases for retirees.

1 A RESOLUTION

2 To urge and request the state retirement systems to report to the legislature on alternative
3 methods for providing permanent benefit increases to retirees.

4 WHEREAS, the Constitution of Louisiana, the solemn expression of the will of the
5 people of this state, charges the legislature with the duty of providing for the retirement of
6 employees of the state and of the public educational system; and

7 WHEREAS, the legislature fulfilled this duty by establishing four state retirement
8 systems: the Louisiana State Employees' Retirement System, the Teachers' Retirement
9 System of Louisiana, the Louisiana School Employees' Retirement System, and the State
10 Police Retirement System; and

11 WHEREAS, the benefits that members of these systems earn currently include no
12 mechanism that preserves the purchasing power of these earned retirement benefits; and

13 WHEREAS, Louisiana has demonstrated its commitment to actuarially sound
14 funding of these retirement systems and has taken meaningful steps to ensure the
15 sustainability of the defined benefit plans that replace and do not supplement Social Security
16 benefits; and

17 WHEREAS, in furtherance of this commitment, the legislature has acted to increase
18 the allocation of system assets toward decreasing debt, increasing funding, transitioning the
19 systems to more conservative assumptions, and reducing inter-generational cost shifting; and

1 WHEREAS, as a result, less money accumulates in the special accounts designed to
2 fund permanent benefit increases for eligible retirees and other beneficiaries of the systems,
3 lengthening the time between increases; and

4 WHEREAS, the last permanent benefit increase, funded from the special accounts,
5 was effective July 1, 2016; and

6 WHEREAS, retired teachers' and state employees' benefits were increased by only
7 1.5% at that time and retired school employees and state troopers received a 2% increase;
8 and

9 WHEREAS, recipients of Social Security benefits receive cost-of-living adjustments
10 annually, based on the increase in the prices of goods; and

11 WHEREAS, beneficiaries of these four state retirement systems receive no such
12 regular cost-of-living adjustments, resulting in the erosion of their purchasing power over
13 time.

14 THEREFORE, BE IT RESOLVED that the House of Representatives of the
15 Legislature of Louisiana does hereby urge and request the four state retirement systems,
16 working together as appropriate, to study alternative mechanisms for providing meaningful
17 benefit increases on a regularly scheduled basis, designed to preserve the purchasing power
18 of the recipients.

19 BE IT FURTHER RESOLVED that the House of Representatives of the Legislature
20 of Louisiana urges and requests the state retirement systems to submit to the House, no later
21 than December 1, 2020, a single report of their findings.

22 BE IT FURTHER RESOLVED that a copy of this resolution be sent to the executive
23 director of each of the four state retirement systems.

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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