

2026 Regular Session

HOUSE BILL NO. 23

BY REPRESENTATIVE BACALA

RETIREMENT/STATE EMPS: Grants a cost-of-living adjustment to eligible retirees and beneficiaries

1 AN ACT

2 To enact R.S. 11:542.4, relative to the Louisiana State Employees' Retirement System; to
3 provide for a cost-of-living adjustment; to provide for eligibility and funding; to
4 provide for payment and timing; and to provide for related matters.

5 Notice of intention to introduce this Act has been published
6 as provided by Article X, Section 29(C) of the Constitution
7 of Louisiana.

8 Be it enacted by the Legislature of Louisiana:

9 Section 1. R.S. 11:542.4 is hereby enacted to read as follows:

10 §542.4. Cost-of-living adjustment; payable July 1, 2026

11 A. Notwithstanding any provision of R.S. 11:542 to the contrary, the board
12 of trustees of the Louisiana State Employees' Retirement System may grant a cost-
13 of-living adjustment, funded exclusively with money from the experience account
14 and payable July 1, 2026, to the following retirees and beneficiaries:

15 (1) Any retiree, other than a disability retiree, who has attained at least age
16 sixty and who has received a benefit for at least one year by June 30, 2026.

17 (2) Any nonretiree beneficiary, if benefits had been paid to the retiree or the
18 beneficiary, or both combined, for at least one year and if the retiree would have
19 attained age sixty by June 30, 2026.

1 (3) Any disability retiree or a person who receives benefits from the system
 2 based on the death of a disability retiree, if benefits have been paid to the retiree or
 3 the beneficiary, or both combined for at least one year by June 30, 2026.

4 B. The adjustment authorized by this Section shall be payable only on the
 5 first eighty thousand dollars of a retiree or beneficiary's benefit and shall be an
 6 amount determined by the system's actuary with the agreement of the legislative
 7 auditor's actuary that is supported by the experience account balance after any credits
 8 or debits to the account pursuant to R.S. 11:542, up to a maximum payment of two
 9 percent of the eligible benefit amount.

10 Section 2. The cost of this Act, if any, shall be funded with additional employer
 11 contributions in compliance with Article X, Section 29(F) of the Constitution of Louisiana.

12 Section 3. This Act shall become effective on June 30, 2026; if vetoed by the
 13 governor and subsequently approved by the legislature, this Act shall become effective on
 14 June 30, 2026, or on the day following such approval by the legislature, whichever is later.

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)]

HB 23 Original

2026 Regular Session

Bacala

Abstract: Provides a cost-of-living adjustment for certain retirees and beneficiaries within the La. State Employees' Retirement System.

Proposed law grants a cost-of-living adjustment (COLA) to retirees and beneficiaries of the La. State Employees' Retirement System (LASERS) payable beginning July 1, 2026.

Proposed law provides that the COLA is to be granted to the following:

- (1) Any retiree who has received a benefit for at least one year and who has attained the age of 60.
- (2) Any nonretiree beneficiary who has received a benefit for at least one year if the deceased member would have attained age 60.
- (3) Any disability retiree or any beneficiary who receives benefits based on the death of a disability retiree if benefits have been received for at least one year.

Proposed law provides that funds for the COLA will come from LASERS's experience account.

Proposed law provides that the adjustment is to be an amount authorized by the system's actuary with the agreement of the legislative auditor's actuary and supported by the funds in the system's experience account up to 2% on the first \$80,000 of the annual benefit for eligible retirees and beneficiaries.

Proposed law requires that any cost of proposed law be funded with additional employer contributions in compliance with present constitution (Art. X, Sec. 29(F)).

Effective June 30, 2026.

(Adds R.S. 11:542.4)