

2026 Regular Session

SENATE BILL NO. 21

BY SENATOR PRICE

STATE EMPLOYEE RET. Provides relative to payments toward the unfunded accrued liability of the Louisiana State Employees' Retirement System and the amortization of certain actuarial gains. (gov sig)

1 AN ACT

2 To amend and reenact R.S. 11:102.1(A)(4)(c)(iv), to enact R.S. 11:102.1(A)(5), and to  
3 repeal R.S. 11:102.1(A)(4)(c)(v), (e)(ii) and (iii), and (h) through (j), relative to the  
4 Louisiana State Employees' Retirement System; to provide for the calculation of  
5 employer contributions, minimum employer contribution rates, amortization of the  
6 unfunded accrued liability, and treatment of contribution variances for the Louisiana  
7 State Employees' Retirement System; to provide for an effective date; and to provide  
8 for related matters.

9 Notice of intention to introduce this Act has been published.

10 Be it enacted by the Legislature of Louisiana:

11 Section 1. R.S. 11:102.1(A)(4)(c)(iv) is hereby amended and reenacted and R.S.  
12 11:102.1(A)(5) is hereby enacted to read as follows:

13 §102.1. Amortization payment schedules; priority excess return allocations;

14 Louisiana State Employees' Retirement System

15 A.(1) \* \* \*

16 \* \* \*

17 (4) For purposes of this Section, the following shall apply:

\* \* \*

(c) "Secondary priority amount" shall mean the maximum amount of system returns in excess of the system's actuarially assumed rate of return that may be applied to the experience account amortization base, regardless of whether actual returns that equal or exceed the maximum are available, and shall equal:

\* \* \*

(iv) For the first valuation after the original amortization base is liquidated, ~~the portion of the prior year's primary priority amount that was necessary to liquidate the original amortization base plus the prior year's secondary priority amount, both increased by the percentage increase in the system's actuarial value of assets for the prior year, if any~~ **the provisions of this Paragraph shall terminate.**

\* \* \*

~~(h)(5)(a)~~ **(a)** Notwithstanding ~~the provisions of Subparagraph (i) of this Paragraph~~ **any other provision of this Section**, effective for the June thirtieth valuation following the fiscal year in which the system first attains a funded percentage of eighty or more pursuant to R.S. 11:542 and for each valuation thereafter, the net remaining liability of ~~the~~ **any** amortization base to which ~~the~~ **any additional** funds are applied shall be reamortized with annual level-dollar payments calculated as provided in R.S. 11:102 over the remainder of the amortization period originally established for that amortization base.

~~(i)(b)~~ **(b)** Beginning with Fiscal Year 2019-2020 and every fifth fiscal year thereafter, the remaining liability net of all payments made since the last reamortization shall be reamortized over the remainder of the amortization period originally established for that amortization base with annual payments calculated as provided for in this Section.

~~(j)(c)~~ **(c)** Except as provided in Subparagraphs ~~(h) and (i)~~ **(a) and (b)** of this Paragraph and in Item (B)(3)(a)(iv) of this Section, the net remaining liability of the amortization base to which the funds are applied shall not be reamortized after such application.

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\* \* \*

Section 2. R.S. 11:102.1(A)(4)(c)(v), (e)(ii) and (iii), and (h) through (j) are hereby repealed.

Section 3. This act shall become effective upon signature by the governor or, if not signed by the governor, upon expiration of the time for bills to become law without signature by the governor, as provided in Article III, Section 18 of the Constitution of Louisiana. If vetoed by the governor and subsequently approved by the legislature, this Act shall become effective on the day following such approval.

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The original instrument and the following digest, which constitutes no part of the legislative instrument, were prepared by Senate Legislative Services. The keyword, summary, 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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DIGEST

SB 21 Engrossed

2026 Regular Session

Price

Present law provides, effective June 30, 2009, for two consolidated amortization bases for the Louisiana State Employee's Retirement System (LASERS) to be amortized and calculated. Changes, gains, and losses are to be calculated and payments thereof determined as provided in R.S. 11:102, except as otherwise specified. Proposed law retains present law.

Present law provides that for the first valuation after the original amortization base is liquidated, the secondary priority amount includes the portion of the prior year's primary priority amount, added to the prior year's secondary priority amount, and adjusted for any increase in the system's actuarial value of assets. Proposed law terminates this provision.

Present law provides for the secondary valuation and each year thereafter, the secondary priority amount is increased on growth in the system's actuarial value of assets. Proposed law repeals this provision.

Present law provides that for the first valuation after the experience account amortization base is liquidated, the residual priority amount equals the prior year's secondary priority amount adjusted for any increase in the system's actuarial value of assets, and for the second valuation and each year thereafter, the residual priority amount is increased based on any growth in the system's actuarial value of assets. Proposed law repeals these provisions.

Effective upon signature of the governor or lapse of time for gubernatorial action.

(Amends R.S. 11:102.1(A)(4)(c)(iv); adds R.S. 11:102.1(A)(5); and repeals R.S. 11:102.1(A)(4)(c)(v), (e)(ii) and (iii), and (h)-(j))