

2026 Regular Session

HOUSE BILL NO. 749

BY REPRESENTATIVE CARVER AND SENATOR FOIL

1 AN ACT

2 To amend and reenact R.S. 17:3084(A)(14), 3085(3), 3086, 3092(13) and (14), 3093(C)(3)
3 and (D)(1)(f), 3095(A)(4) and (E)(2), 3100.2(12) and (13), 3100.3(B)(3) and
4 (C)(1)(f), and 3100.5(A)(4) and to enact R.S. 17:3090(E), 3099(I) and (J), 3100.5(G),
5 3100.8(I) and (J), Chapter 22-C of Title 17 of the Louisiana Revised Statutes of
6 1950, to be comprised of R.S. 17:3100.21 through 3100.26, and R.S. 17:3129.4(D),
7 relative to savings account programs; to provide for the administration of the ABLE
8 Account Program, the Louisiana Student Tuition Assistance and Revenue Trust
9 Program, and the Louisiana Student Tuition Assistance and Revenue Trust
10 Kindergarten Through Grade Twelve Program; to authorize the Louisiana Tuition
11 Trust Authority to enter into a contract with a program manager for the
12 administration of the program accounts and the investment of account funds; to
13 provide for the transfer of certain monies within the Louisiana Education Tuition and
14 Savings Fund to the program manager; to provide for the powers and duties of the
15 authority and the program manager; to require the authority to notify the presiding
16 officers of the legislature and the state treasurer of the execution of the contract; to
17 require the authority and the state treasurer to coordinate on the implementation of
18 account transfers; to provide for definitions; to provide for effectiveness; and to
19 provide for related matters.

1 Be it enacted by the Legislature of Louisiana:

2 Section 1. R.S. 17:3084(A)(14), 3085(3), 3086, 3092(13) and (14), 3093(C)(3) and
3 (D)(1)(f), 3095(A)(4) and (E)(2), 3100.2(12) and (13), 3100.3(B)(3) and (C)(1)(f), and
4 3100.5(A)(4) are hereby amended and reenacted and R.S. 17:3090(E), 3099(I) and (J),
5 3100.5(G), 3100.8(I) and (J), Chapter 22-C of Title 17 of the Louisiana Revised Statutes of
6 1950, comprised of R.S. 17:3100.21 through 3100.26, and R.S. 17:3129.4(D) are hereby
7 enacted to read as follows:

8 §3084. Louisiana Tuition Trust Authority; rules; compliance with federal
9 requirements

10 A. The authority shall, by adoption of rules pursuant to the Administrative
11 Procedure Act and in consultation with the advisory council, provide for the
12 following functions, policies, and requirements of the program and shall ensure
13 through such rules that all of the following aspects of the program comply with all
14 applicable provisions of Section 529A of the Internal Revenue Code and with any
15 regulations pertaining to qualified ABLE programs issued pursuant thereto:

16 * * *

17 (14) The determination, until the date of the execution of a contract with a
18 program manager as provided in Chapter 22-C of this Title, of the rate of interest to
19 be paid on ABLE accounts of record at the close of a calendar year, provided that
20 such rate is not a negative rate and is approved by the state treasurer.

21 * * *

22 §3085. Louisiana Tuition Trust Authority; powers relative to the administration of
23 the program

24 In addition to any other powers conferred by this Chapter, the authority may
25 do any of the following:

26 * * *

27 (3) Make, execute, and deliver contracts, conveyances, and other instruments
28 necessary to the exercise and discharge of the powers and duties of the authority,
29 including contracts for the administration of ABLE accounts and the investment of

1 account funds in accordance with federal law, this Chapter, and Chapter 22-C of this
2 Title.

3 * * *

4 §3086. ABLÉ account funds; investment

5 A. The state treasurer shall invest monies deposited in the ABLÉ accounts
6 in the same manner as prescribed by R.S. 17:3091 et seq. for the investment of
7 monies deposited in START Program accounts. Funds in ABLÉ accounts shall be
8 invested in such investment options and subject to the same requirements and
9 limitations for funds deposited in START Program accounts provided in R.S.
10 17:3091 et seq., except as otherwise provided in this Chapter.

11 B. Notwithstanding any provision of this Section or any other provision of
12 law to the contrary, beginning on the date of the execution of a contract between the
13 authority and a program manager as provided in Chapter 22-C of this Title, all ABLÉ
14 accounts may be administered, and all funds in such accounts may be invested, by
15 the program manager.

16 * * *

17 §3090. Achieving a Better Life Experience in Louisiana Fund

18 * * *

19 E. Notwithstanding any provision of this Section or any other law to the
20 contrary, beginning on the date of the execution of a contract between the authority
21 and a program manager as provided in Chapter 22-C of this Title, all ABLÉ accounts
22 may be administered, and all funds in such accounts may be invested, by the program
23 manager.

24 * * *

25 §3092. Definitions

26 As used in this Chapter, the following terms have the following meanings
27 unless the context clearly indicates otherwise:

28 * * *

1 §3095. Education savings accounts; types, use, limitations, and disclosures

2 A.

3 * * *

4 (4) Subject to the limitation imposed by R.S. 17:3098(B), the authority shall
5 guarantee, until the date of execution of a contract with a program manager as
6 provided in Chapter 22-C of this Title, payment of the redemption value of an
7 education savings account in which the deposits and interest are invested in fixed
8 earnings.

9 * * *

10 E.

11 * * *

12 (2) Prior to the close of the calendar year in which the program is
13 implemented and each year thereafter on a date specified by the authority, the state
14 treasurer shall determine and report to the authority, until the date of the execution
15 of the authority's contract with a program manager, the total earnings and the rate of
16 return achieved on deposits in the Louisiana Education Tuition and Savings Fund.
17 Based upon the fund's reported earnings, the authority shall establish, until the date
18 of the execution of the authority's contract with a program manager, the rate of
19 interest to be applied to the accumulated principal and interest in education savings
20 accounts of record, subject to approval by the state treasurer. The authority shall
21 calculate and credit the appropriate amount of interest earnings to each such account
22 prior to the close of the calendar year until the date of the execution of the authority's
23 contract with a program manager.

24 * * *

25 §3099. Louisiana Education and Tuition Savings Fund; use

26 * * *

27 I. The authority may enter into a contract with a program manager to
28 administer savings accounts and to invest the funds in such accounts as provided in
29 Chapter 22-C of this Title.

1 investment of account funds in accordance with federal law, this Chapter, and
2 Chapter 22-C of this Title.

3 * * *

4 C.(1) The authority shall, by adoption of rules pursuant to the Administrative
5 Procedure Act, provide for the following:

6 * * *

7 (f) ~~The~~ Until the date of the execution of a contract with a program manager
8 as provided in Chapter 22-C of this Title, the rate of interest to be paid on education
9 savings accounts of record at the close of a calendar year. Such rate shall not be a
10 negative rate and shall be approved by the state treasurer.

11 * * *

12 §3100.5. Education savings accounts; types, use, limitations, and disclosures

13 A.

14 * * *

15 (4) Subject to the limitation imposed by R.S. 17:3100.7(B), the authority
16 shall guarantee, until the date of the execution of a contract with a program manager
17 as provided in Chapter 22-C of this Title, payment of the redemption value of an
18 education savings account in which the deposits and interest are invested in fixed
19 earnings.

20 * * *

21 G. The authority may enter into a contract with a program manager to
22 administer savings accounts and to invest the funds in such accounts as provided in
23 Chapter 22-C of this Title.

24 * * *

25 §3100.8. Louisiana Education and Tuition Savings Fund; use

26 * * *

27 I. The authority may enter into a contract with a program manager to
28 administer education savings accounts and to invest the funds in such accounts as
29 provided in Chapter 22-C of this Title.

CODING: Words in ~~struck through~~ type are deletions from existing law; words underscored are additions.

1 §3100.22. Legislative intent; administration and management of savings account
2 programs

3 A.(1) It is the intent of the legislature to provide for safe and efficient
4 administration of savings accounts and investment of savings account funds.

5 (2) Beginning on the date of the execution of a contract between the
6 authority and a program manager as provided in this Chapter, the provisions of this
7 Chapter shall govern the administration of savings accounts and the investment of
8 savings account funds.

9 B.(1) The provisions of this Chapter shall comply with the provisions of
10 Sections 529 and 529A of the Internal Revenue Code. Any provision of this Chapter
11 determined to be in conflict with any requirement of the code as applicable to a
12 qualified tuition program as defined in Section 529 of the federal Internal Revenue
13 Code, as amended, or a qualified ABLE program as defined in Section 529A of the
14 federal Internal Revenue Code, as amended, shall be superseded by such code
15 provision to the extent necessary to assure that the program continues to meet the
16 code's definition of each of these programs, as applicable.

17 (2) Any requirement of this Chapter determined to be more restrictive than
18 the requirements of the federal Internal Revenue Code as applicable to such a tuition
19 program or ABLE program may be modified to conform with code requirements by
20 the authority by rule promulgated in accordance with the Administrative Procedure
21 Act.

22 C. Nothing in this Chapter shall be construed to limit the powers and duties
23 of the authority as provided in Chapters 22, 22-A, and 22-B of this Title, including
24 but not limited to the provisions of R.S. 17:3085, 3093, and 3100.3.

25 §3100.23. The Louisiana Tuition Trust Authority; powers relative to the
26 administration of the savings account programs

27 A. The authority shall continue to exercise the powers and duties conferred
28 upon it pursuant to Chapters 22, 22-A, and 22-B of this Title. The authority may
29 enter into a contract with a program manager to administer savings accounts and to
30 invest the funds in such accounts. The program manager shall be required under the

1 contract to provide qualifying savings account owners with access to enrollment in
2 an operating qualified tuition program as defined in Section 529 of the federal
3 Internal Revenue Code, as amended, or a qualified ABLÉ program as defined in
4 Section 529A of the federal Internal Revenue Code, as amended.

5 B. On the date of the execution of a contract between the authority and a
6 program manager:

7 (1) All savings accounts shall be transferred to the program manager for
8 account administration and investment of account funds.

9 (2) All deposited monies for savings accounts contained in the Tuition and
10 Savings Fund as provided in R.S. 17:3129.4 shall be transferred to the program
11 manager. The monies in the Savings Enhancement Fund shall remain in the state
12 treasury, and the treasurer shall continue to administer the Savings Enhancement
13 Fund in accordance with R.S. 17:3129.4 for the purposes provided in Chapters 22-A
14 and 22-B of this Title.

15 C. Beginning on the date of the execution of the contract with the program
16 manager, monies to be deposited in savings accounts shall be sent directly to the
17 program manager, except for cash deposits. The Board of Regents shall provide for
18 the receipt of cash deposits, their placement in a subaccount created for this purpose,
19 and their transmittal to the program manager along with any instructions received
20 from the account owner regarding investment selections.

21 §3100.24. Program manager; responsibilities

22 The program manager shall, at a minimum, do the following:

23 (1) Offer account owners a selection of investment options that shall include
24 an option equivalent to fixed earnings as defined in R.S. 17:3082, 3092, and 3100.2
25 that ensures the security of the principal and interest thereon and may include options
26 for variable earnings as defined in R.S. 17:3082, 3092, and 3100.2.

27 (2) Administer accounts according to valid instructions from account
28 owners.

1 (3) Collect and report data to the legislative auditor for purposes of audits.

2 (4) Provide annual account owner statements.

3 (5) Provide tax documents to each account owner relative to his account,
4 including information on deposits for the previous calendar year and deposit totals
5 over time.

6 (6) Provide annual reporting of disbursements for expenses that do not meet
7 the definition of qualified disability expenses as defined in R.S. 17:3082, qualified
8 higher education expenses as defined in R.S. 17:3092, or qualified education
9 expenses as defined in R.S. 17:3100.2 to the Department of Revenue and the Internal
10 Revenue Service.

11 (7) Provide rollover reporting to the authority.

12 (8) Provide quarterly reporting to the authority on the total number of
13 accounts and total assets by account type, including the number of new accounts and
14 the number of closed accounts.

15 (9) Provide annual reporting to the authority of investment performance by
16 investment type.

17 (10) Enter into agreements with account owners' employers for payroll
18 deduction deposits.

19 (11) Provide annual accounting to START account owners providing their
20 progress in saving towards five years' of qualified higher education expenses as
21 provided in R.S. 17:3095(E).

22 (12) Determine the fully funded account amount for START accounts as
23 provided in 17:3096(D).

24 §3100.25. Notification of contract; presiding officers of the legislature and the state
25 treasurer

26 The authority shall submit written notification to the speaker of the House of
27 Representatives, the president of the Senate, and the state treasurer of the execution
28 of a contract with a program manager within twenty-four hours following such
29 execution.

1 §3100.26. Implementation; coordination between Louisiana Tuition Trust Authority
2 and state treasurer

3 If the authority contracts with a program manager as authorized by this
4 Chapter, the authority and the state treasurer shall coordinate on the transfer of
5 information necessary for the migration of savings accounts and the investment of
6 account funds to the program manager and for the implementation of all other
7 provisions of this Chapter.

8 * * *

9 §3129.4. Louisiana Education Tuition and Savings Plan and Fund

10 * * *

11 D. Notwithstanding any provision of law to the contrary and as provided in
12 Chapter 22-C of this Title:

13 (1) Beginning on the date of the execution of a contract between the
14 authority and a program manager, monies in savings accounts as contained in the
15 Tuition and Savings Fund may be administered and invested by the program
16 manager.

17 (2) On the date of the execution of a contract between the authority and a
18 program manager, all monies deposited in savings accounts as contained in the
19 Tuition and Savings Fund shall be transferred to the program manager, except for the
20 contents of the Savings Enhancement Fund, which shall continue to be subject to the
21 provisions of this Section.

22 Section 2.(A) The Louisiana State Law Institute is hereby directed to redesignate the
23 provisions of R.S. 17:3100.21 through 3100.26, as contained in Chapter 22-C of Title 17 of
24 the Louisiana Revised Statutes of 1950 as enacted by Section 1 of this Act, as R.S. 17:3101
25 through 3106.

26 (B) The Louisiana State Law Institute is hereby directed to redesignate the
27 provisions of R.S. 17:3101 through 3109, as contained in Chapter 23 of Title 17 of the
28 Louisiana Revised Statutes of 1950, as R.S. 17:3111 through 3119.

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

SPEAKER OF THE HOUSE OF REPRESENTATIVES

PRESIDENT OF THE SENATE

GOVERNOR OF THE STATE OF LOUISIANA

APPROVED: _____