

ACT No. 23

Regular Session, 2014

HOUSE BILL NO. 42

BY REPRESENTATIVE PEARSON

1 AN ACT

2 To amend and reenact R.S. 11:102(B)(3)(d)(vi), relative to the liabilities of the Louisiana
3 School Employees' Retirement System; to establish accounts for the full or partial
4 payment of such liabilities; to provide for credits to such accounts; to provide for
5 application of funds from certain accounts toward such liabilities; to provide an
6 effective date; and to provide for related matters.

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

10 Be it enacted by the Legislature of Louisiana:

11 Section 1. R.S. 11:102(B)(3)(d)(vi) is hereby amended and reenacted to read as
12 follows:

13 §102. Employer contributions; determination; state systems

14 * * *

15 B.

16 * * *

17 (3) With respect to each state public retirement system, the actuarially
18 required employer contribution for each fiscal year, commencing with Fiscal Year
19 1989-1990, shall be that dollar amount equal to the sum of:

20 * * *

21 (d) That fiscal year's payment, computed as of the first of that fiscal year and
22 projected to the middle of that fiscal year at the actuarially assumed interest rate,
23 necessary to amortize changes in actuarial liability due to:

24 * * *

25 (vi)(aa) Effective July 1, 2004, and beginning with Fiscal Year 2000-2001,
26 the amortization period for the changes, gains, or losses of the Louisiana School

1 Employees' Retirement System provided in Items (i) through (iv) of this
 2 Subparagraph shall be thirty years, or in accordance with standards promulgated by
 3 the Governmental Accounting Standards Board, from the year in which the change,
 4 gain, or loss occurred. The outstanding balances of amortization bases established
 5 pursuant to Items (i) through (iv) of this Subparagraph before Fiscal Year 2000-
 6 2001, shall be amortized as a level dollar amount from July 1, 2004, through June 30,
 7 2029. Beginning with Fiscal Year 2003-2004, and for each fiscal year thereafter, the
 8 outstanding balances of amortization bases established pursuant to Items (i) through
 9 (iv) of this Subparagraph shall be amortized as a level dollar amount.

10 (bb) The unused balance remaining in the experience account on June 30,
 11 2013, after payment of a permanent benefit increase pursuant to the provisions of
 12 R.S. 11:1145.1, shall be credited in an amortization conversion account from which
 13 annual contributions required pursuant to the Act that originated as Senate Bill No.
 14 14 of the 2014 Regular Session of the Legislature shall be funded in whole or in part
 15 for the years July 1, 2014, through June 30, 2019. Effective June 30, 2019, all funds
 16 remaining in the amortization conversion account shall be amortized as a gain in
 17 accordance with Subitem (aa) of this Item.

18 * * *

1 Section 2. This Act shall take effect and become operative if and when the Act
2 which originated as Senate Bill No. 14 of the 2014 Regular Session of the Legislature is
3 enacted and becomes effective.

SPEAKER OF THE HOUSE OF REPRESENTATIVES

PRESIDENT OF THE SENATE

GOVERNOR OF THE STATE OF LOUISIANA

APPROVED: _____