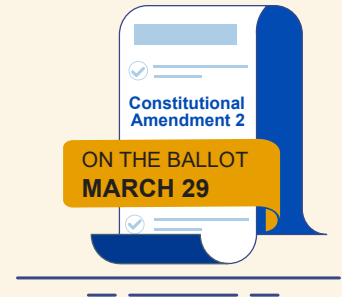




TRSL & Constitutional Amendment 2: What you should know

In a March 29 statewide election, voters will decide whether to make changes to a portion of the state constitution. On the ballot, you'll see [Constitutional Amendment 2](#).

It proposes a number of changes to Article VII of the state constitution that affect taxes and government spending. Constitutional Amendment 2 also contains a proposal that would directly affect TRSL.



Impact on TRSL

- Constitutional Amendment 2 proposes to use the money in three educational trust funds to erase a portion of TRSL retirement debt, also known as the unfunded accrued liability (UAL).
- The three funds are constitutionally protected and have approximately \$2 billion in them. They are the **Education Excellence Fund**, the **Louisiana Education Quality Trust Fund**, and the **Louisiana Quality Education Support Fund**. The money in these accounts supports certain educational programs in K-12 and higher education.
- Voters will be asked to use the balance in these three funds to make a one-time UAL payment that would pay off or nearly pay off TRSL's two oldest debt schedules. Legislators proposed this debt payment plan in last year's third special session.
- The debt payment proposal is designed to reduce the annual contribution rate TRSL-participating employers pay for retirement, and thereby free up money to [make permanent the salary increase teachers \(\\$2,000\) and support staff \(\\$1,000\)](#) are receiving this year.
- Passage of the constitutional amendment would not change the employee contribution rate for actively working TRSL members, nor would it increase monthly benefits for retired members.

TRSL Board of Trustees position on debt payments

At its November 2024 meeting, the TRSL Board of Trustees passed a motion to support the legislature's continued efforts to ensure a sustainable retirement system for Louisiana's educators, including accelerated payoff of the UAL debt schedules.

Projections show that payoff of TRSL's two oldest debt schedules, as designed through Constitutional Amendment 2, would immediately reduce the annual employer retirement contributions by \$286 million (\$210 million for K-12 and \$76 million for higher education). Additionally, if this debt were to be paid off, the long-term savings on interest payments is estimated at \$1.04 billion.