

Permanent Benefit Increase (Act 657)



La. R.S. 11:883.1

Effective July 1, 2022

What is a Permanent Benefit Increase?

Formerly called a COLA, a Permanent Benefit Increase (PBI) is a monthly cost-of-living increase for eligible retirees, beneficiaries and survivors.

In order for a PBI to be given, sufficient funds must exist to pay it; and the Legislature must authorize it.

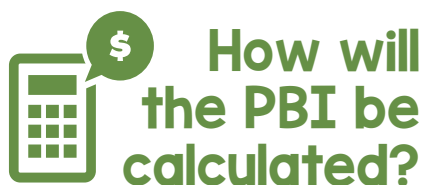
Sen. Ed Price (Gonzales), chairman of the Senate Retirement Committee, sponsored the legislation authorizing this year's 2% PBI. The legislation was unanimously passed in both the Senate and House, and signed by Gov. John Bel Edwards. **The increase will take effect July 1, 2022.**



Who is eligible?

To be eligible for the PBI, you must meet a few requirements on or before July 1, 2022:

- **Regular retiree:** Must have received a benefit for at least one year and be at least 60 years of age
- **Disability retiree:** Must have been retired at least one year regardless of age
- **Beneficiary of retiree:** Retiree or beneficiary (or both combined) must have received a benefit for at least one year, and the deceased retiree would have been at least 60 years of age at the time the PBI is payable
- **Survivor of non-retired member:** Must have received a benefit for at least one year, and benefits must have originated from the service of a deceased member who would have been at least 60 years of age at the time the PBI is payable



How will the PBI be calculated?

PBIs are calculated on the first \$60,000 of a retiree's annual retirement benefit. This limit is increased every year to reflect any increase in the Consumer Price Index. The 2022 PBI will be calculated on the first \$68,396 in annual retirement benefit.



How will the PBI be funded?

The benefit increase is paid through the Experience Account, which is a separate account used for the sole purpose of funding PBIs for eligible retirees and beneficiaries. The account is funded with a portion of TRSL's excess investment earnings.