



Legislative Updates

June 29, 2023

Friendly reminders

- This presentation contains general information to be used as a guide during the webinar. All participants are muted.
- Have a question?
 - » Type your question in the **Questions** box during the webinar. We will answer questions during the webinar and in the **Questions** box.
- This webinar will be recorded. Our recordings & PDFs are available at www.trsl.org/members/webinars

**If you have specific questions about your retirement,
please contact us at AskTRSL.org**

2023 Legislative Session

Convened: April 10 – Adjourned: June 8

- TRSL monitored 11 pieces of legislation this session that impacted the retirement system.
- Of those, four bills and four resolutions received final passage.



Permanent Benefit Increase (PBI) funding

Act 184 – formerly Senate Bill 18 (Sen. Price)

Changes the **funding mechanism**, **granting criteria**, and **eligibility criteria** for future PBIs of the four state retirement systems for public school teachers, state employees, school employees, and state police.

CURRENT FUNDING MECHANISM (EXPERIENCE ACCOUNT)		
Funding based on TRSL's investment performance		
Unpredictable	Unreliable	Complicated

NEW FUNDING MECHANISM (ACT 184)		
Funding based on direct contributions from TRSL-participating employers		
Predictable	Transparent	Manageable

Permanent Benefit Increase (PBI) funding

Act 184 – cont.

- **Funding mechanism.** PBIs will be funded directly through the employer contribution rate, beginning in FY 2024-25; a new PBI account will be established to hold funds for PBIs.
- **PBI amount and frequency.** 2% PBI calculated on first \$60,000 of benefit. Projected to be paid every 2-3 years, once new PBI account is receiving maximum employer contribution.
- **Eligibility criteria.** Upon payment of first PBI from new PBI account, eligibility criteria will change. Regular retirees must be age 62 and must have been receiving a benefit for at least two years. Disability retirees must have been receiving a benefit for at least two years regardless of age.

NOTE: The current funding method (investment gain-sharing) and new funding method (employer contribution rate) will exist together until TRSL's oldest debt schedule is paid off, then only the new funding method will remain.

2023 Legislative Session



Notably this session, TRSL and LASERS became a recurring topic in budget discussions as a result of a reported \$2.2 billion in surplus/excess revenue.

- Proposals to pay down all or portion of IUAL with excess/surplus revenue
- Proposals to pay down IUAL with a portion of 0.45% sales and use tax
- Proposals to make IUAL payments on behalf of employers as a means to fund pay raises at local level
- Proposals to direct 25% of surplus money to UAL of four state retirement systems

Payments towards UAL

Act 397 – formerly House Bill 560 (Rep. Zeringue)

Makes a supplemental appropriation of \$49.2 million to the TRSL initial unfunded accrued liability (IUAL) from a portion of the FY 2021-22 surplus funds in the state treasury. Appropriates an additional \$1.4 million to the IUAL.

Act 107 – formerly House Bill 47 (Rep. Nelson)

A proposed constitutional amendment that would require a minimum 25% of nonrecurring state revenue to be appropriated to the UALs of the four state retirement systems, beginning FY 2024-25. Becomes effective if enacted in statewide election on October 14.

Social Security offsets

House Concurrent Resolution 67 (Rep. M. Johnson)

Asks Congress to take actions necessary to review the Government Pension Offset (GPO) and Windfall Elimination Provision (WEP) Social Security benefit reductions and to eliminate or reduce them by supporting H.R. 82 and S. 597 of the 118th Congress and all similar legislation.

House Concurrent Resolution 69 (Rep. M. Johnson)

Requests the House and Senate retirement committees to study and make recommendations regarding benefit options for future state employees to avoid penalties associated with the Government Pension Offset (GPO) and Windfall Elimination Provision (WEP) Social Security benefit reductions. Seeks input from state attorney general, state/statewide retirement systems, and Louisiana's congressional delegation.

Environment, Social, and Governance (ESG)

House Concurrent Resolution 70 (Rep. Beaullieu)

Requests that the state treasurer and the directors of the state/statewide retirement systems report on contracted investment advisors and companies known to discriminate against the fossil fuel industry through environmental, social, and governance (ESG) policies. Specifies information to be included in the report and sets October 1, 2023, as the date by which it must be submitted to the Legislature.

House Concurrent Resolution 110 (Rep. Miguez)

Requests the boards of state/statewide retirement systems uphold their fiduciary duty when making financial decisions and to not allow environmental, social, and governance (ESG) policies to influence their investment decisions.

Public Meetings

Act 393 – formerly Senate Bill 201 (Sen. Hewitt)

Requires certain public bodies to adopt rules and procedures to allow (1) individuals with disabilities or their caregivers to participate in meetings electronically (teleconferencing or videoconferencing), if requested prior to the meeting; and (2) members of the public body to electronically participate and vote in the meeting. Provides the option for certain public bodies to hold meeting by electronic means, subject to restrictions and requirements.

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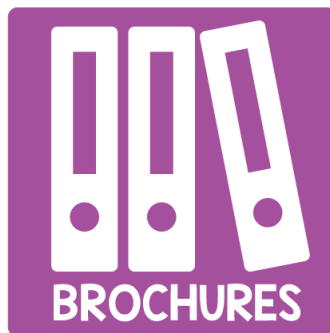
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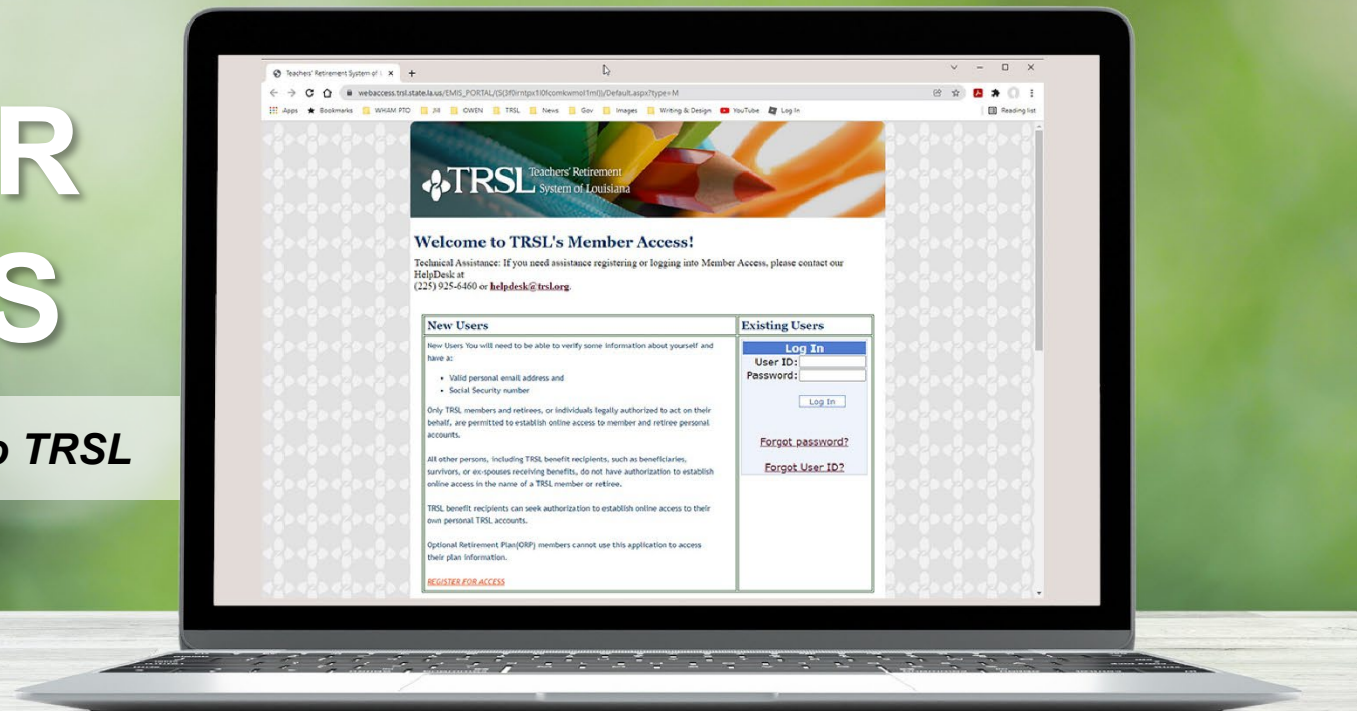
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MEMBER ACCESS

Your online connection to TRSL



Active members

- Update name & mailing/email address
- Estimate future benefit with online calculators
- View annual statements
- Apply for retirement/DROP

Retired members

- View DROP account
- View beneficiary(ies)
- Print income verification letter
- Request Social Security verification letter

Questions?

If you have specific questions about your TRSL retirement, please contact us for a direct reply:



AskTRSL@trsl.org

Questions about...

DROP window

Eligibility

Benefit estimate

FAC

And more!

We are here for you!



Local phone: (225) 925-6446

Toll free (outside Baton Rouge):
1-877-ASK-TRSL (1-877-275-8775)

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