
DIGEST

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HB 18 Reengrossed

2025 Regular Session

Kerner

Abstract: Grants a nonrecurring lump-sum payment to certain retirees and beneficiaries of the Firefighters' Retirement System and removes the prohibition on payment of cost-of-living increases from the funding deposit account.

Present law provides for the creation and use of a funding deposit account for certain statewide retirement systems including the Firefighters' Retirement System (FRS).

Present law provides funds deposited into the funding deposit account may be used for any of the following:

- (1) Reduce the system's unfunded accrued liability.
- (2) Reduce future employer contributions.
- (3) Reduce the present value of future normal costs.
- (4) Pay for cost-of-living increases.

Proposed law retains present law.

Present law prohibits FRS from paying cost-of-living increases from funds deposited into the funding deposit account.

Proposed law repeals present law.

Proposed law grants a nonrecurring lump-sum supplemental payment to the following FRS retirees and beneficiaries:

- (1) Any retiree or disability retiree who has received a benefit for at least one year on June 30, 2025.
- (2) Any nonretiree beneficiary, if benefits were paid to the beneficiary and/or the retiree for at least one year on June 30, 2025.

Proposed law provides that each FRS retiree and beneficiary for whom proposed law applies shall receive the supplemental payment in the amount of \$2,000.

Proposed law requires the monies be paid from the system's funding deposit account. Provides any additional cost of proposed law be funded with additional employer contributions.

Effective upon signature of the governor or lapse of time for gubernatorial action.

(Amends R.S. 11:107.1(D)(4)(a); Adds R.S. 11:2256.4; Repeals R.S. 11:107.1(D)(4)(c))