

RÉSUMÉ DIGEST

ACT 122 (HB 18)

2025 Regular Session

Kerner

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

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

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

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

New law repeals prior law.

New 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 as of June 30, 2025.
- (2) Any nonretiree beneficiary if benefits were paid to the beneficiary and/or the retiree for at least one year as of June 30, 2025.

New law provides that the supplemental payment is payable no later than Aug. 1, 2025.

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

New law requires the monies be paid from the system's funding deposit account.

New law requires any additional cost of new law to be funded with additional employer contributions.

Effective upon signature of the governor (June 8, 2025).

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