

## 2026 Regular Session

HOUSE BILL NO. 47

BY REPRESENTATIVE BERIAULT

**RETIREMENT/ASSESSORS:** Provides relative to cost-of-living adjustments for the Louisiana Assessors' Retirement Fund

1 AN ACT

2 To amend and reenact R.S. 11:1404(A), 1461, and 1481(1)(b), to enact R.S. 11:1485, and  
3 to repeal R.S. 11:105(A)(1), 106(A)(1), 107(A)(1), 107.1(A)(1), 242(B)(1),  
4 243(A)(1), and 246(A)(1), relative to the Assessors' Retirement Fund; to provide  
5 relative to cost-of-living increases; to provide relative to the authority of the board  
6 of trustees to grant an increase; to provide for the calculation of the amount of any  
7 increase; to provide for the funding deposit account; to provide for employer  
8 contributions; to provide for an effective date; and to provide for related matters.

12 Be it enacted by the Legislature of Louisiana:

13           Section 1. R.S. 11:1404(A), 1461, and 1481(1)(b) are hereby amended and reenacted  
14   and R.S. 11:1485 is hereby enacted to read as follows:

15                   §1404. Amendment of provisions of retirement system

16                   A. The provisions of the retirement system established by R.S. 11:1401 may  
17                   be amended by action of the legislature in the same manner as any other statute may  
18                   be amended by the legislature. In addition, action of the board with respect to the  
19                   payment of cost-of-living ~~adjustments, as provided in R.S. 11:241 through 248,~~  
20                   increases, the payment of employee contributions, actuarial assumptions ~~as provided~~

1       in R.S. 11:1402, and any changes required for conformity with requirements of the  
2       Internal Revenue Code, shall be considered amendments to the provisions of the  
3       retirement ~~fund~~ system.

\* \* \*

5       §1461. Cost-of-living increase; determination by board of trustees

1        ~~authority of the board of trustees to provide the cost-of-living adjustment shall be~~  
2        ~~nonrecurring, and the board of trustees shall not grant more than one cost-of-living~~  
3        ~~adjustment pursuant to Paragraph (1) of this Subsection. If the system has a funded~~  
4        ~~ratio of less than one hundred percent, the board may grant a cost-of-living increase~~  
5        ~~if any of the following applies:~~

6            (a) The system has a funded ratio of at least ninety percent and the board has  
7        not granted a cost-of-living increase in the most recent fiscal year.

8            (b) The system has a funded ratio of at least eighty percent and the board has  
9        not granted a cost-of-living increase in either of the two most recent fiscal years.

10          (c) The system has a funded ratio of at least seventy percent and the board  
11        has not granted a cost-of-living increase in any of the three most recent fiscal years.

12          (3)(a) As used in this Section, the funded ratio as of any fiscal year end shall  
13        be defined as the ratio of the actuarial value of assets to the level percentage of pay  
14        entry age normal actuarial accrued liability.

15          (b) For purposes of determining the system's funded ratio pursuant to this  
16        Subsection, the actuarial value of assets shall be reduced by the actuarial present  
17        value of the cost-of-living increase.

18          C. If authorized pursuant to Subsection B of this Section, the board may do  
19        one of the following:

20          (1) Grant a cost-of-living increase of up to three percent of the current  
21        benefit to all eligible retirees, beneficiaries, and survivors.

22          (2) Grant a cost-of-living increase that is a monthly increase of the benefit  
23        of each recipient in a dollar amount that is a multiple or a fraction of the number of  
24        years of credited service accrued at retirement of the retiree or at death of the  
25        member plus a multiple or a fraction of the number of years since retirement of the  
26        retiree or since death of the member to the system's fiscal year end preceding the  
27        payment of the benefit increase. The multiples used in this calculation shall not  
28        cause the total actuarial present value of the increase to exceed the actuarial present  
29        value of an increase granted pursuant to Paragraph (1) of this Subsection.

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6       §1481. Financing of fund; deductions; deficiencies and surpluses; remedies

7 The fund shall be financed as set forth hereunder:

8 (1)

\* \* \*

10 (b) Each assessor shall contribute three and one-half percent of the salaries  
11 of the assessor and the assessor's employees who are eligible for membership in the  
12 fund. The board of trustees of the fund shall contribute three and one-half percent  
13 of the salaries of the secretary and regular employees of the Assessors' Retirement  
14 Fund to the fund. For purposes of this Section, the term "salaries" shall include  
15 expense allowances provided by law in addition to regular salary to be paid from the  
16 assessors' general fund. For purposes of this Section, in no event shall the expense  
17 allowance exceed ten percent of the salary of the assessor. On and after October 1,  
18 1989, each assessor and the board of trustees of the fund shall contribute the  
19 employer contributions required by R.S. 11:103 plus any amount required by R.S.  
20 11:1485.

\* \* \*

## §1485. Employer contributions; funding deposit account

25 (1) In any fiscal year during which the net direct employer contribution rate  
26 would otherwise be decreased, require an employer contribution rate equal to the  
27 previous year's employer contribution rate or a rate lower than the previous year's  
28 employer contribution rate if the lower rate is not less than the employer contribution  
29 rate calculated in accordance with the provisions of R.S. 11:103.

1                   (2) Require an employer contribution rate of up to three percent more than  
2                   the rate calculated in accordance with the provisions of R.S. 11:103.

3                   B. The funding deposit account established by Act No. 296 of the 2009  
4                   Regular Session of the Legislature is continued. All surplus funds collected by the  
5                   system in any year in which the board exercises the authority provided in Subsection  
6                   A of this Section shall be credited to the system's funding deposit account.

7                   C. The funds in the account shall earn interest annually at the  
8                   board-approved actuarial valuation interest rate, and such interest shall be credited  
9                   to the account once a year.

10                   D.(1) Notwithstanding any provision of law to the contrary, the board of  
11                   trustees may in any fiscal year direct that funds from the account be charged for only  
12                   the following purposes:

13                   (a) To reduce the present value of future normal costs.  
14                   (b) To pay all or a portion of any future net direct employer contributions.  
15                   (c) To provide for cost-of-living increases, in accordance with applicable  
16                   law.

17                   (2) In no event shall the funds charged from the account exceed the  
18                   outstanding account balance.

19                   (3) If the board of trustees elects to charge funds from the funding deposit  
20                   account pursuant to Subparagraph (1)(b) of this Subsection, the percent reduction in  
21                   the minimum recommended employer contribution rate otherwise applicable shall  
22                   be determined by dividing the interest-adjusted value of the charges from the funding  
23                   deposit account by the projected payroll for the fiscal year for which the contribution  
24                   rate is to be reduced.

25                   (4) The balance in the funding deposit account shall be excluded from the  
26                   assets used in the calculation of the employer contribution rate in accordance with  
27                   the provisions of R.S. 11:103.

28                   (5) For all purposes other than funding, the balance in the account shall be  
29                   considered assets of the system.

1           Section 2. R.S. 11:105(A)(1), 106(A)(1), 107(A)(1), 107.1(A)(1), 242(B)(1),  
2 243(A)(1), and 246(A)(1) are hereby repealed in their entirety.

3           Section 3. This Act shall become effective upon signature by the governor or, if not  
4 signed by the governor, upon expiration of the time for bills to become law without signature  
5 by the governor, as provided by Article III, Section 18 of the Constitution of Louisiana. If  
6 vetoed by the governor and subsequently approved by the legislature, this Act shall become  
7 effective on the day following such approval.

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#### DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

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HB 47 Original

2026 Regular Session

Berault

**Abstract:** Provides relative to cost-of-living increases for the Assessors' Retirement Fund.

Present law authorizes certain statewide retirement systems including the Assessors' Retirement Fund (ASSR) to grant increases in the monthly benefit, commonly called cost-of-living adjustments (COLAs), to retirees and other beneficiaries. Provides for eligibility for, the timing, and the amount of the COLAs. Limits the authority to grant a COLA based on the funded level of the system and the time since the last COLA was granted.

Present law, applicable to certain statewide systems, authorizes the ASSR board of trustees to set an employer contribution rate above the actuarially required contribution rate calculated in accordance with present law. Allows the board to set a rate between the current rate and the actuarially required rate.

Present law allows the board to set the rate up to 3% higher than the actuarially required rate.

Present law, applicable to certain statewide systems including ASSR, provides for a funding deposit account (FDA) for the accumulation of the additional employer contributions collected as a result of the board setting an employer contribution rate above the actuarially required rate. Specifies the purposes for which the money in the FDA may be used, one of which is providing COLAs.

Proposed law retains present law.

Present law authorizes the ASSR board of trustees to use excess investment earnings to provide a COLA of up to 3% of the original benefit to retired members or their beneficiaries. Limits the annual amount of the COLA to \$300.

Proposed law removes authority for using excess investment earning to fund COLAs and makes the FDA the sole authorized funding source.

Proposed law applies any percent increase to the current benefit. Removes the \$300 annual cap.

Proposed law provides that the COLA begins on Oct. first, following the board's approval.

Present law limits the authority of certain statewide system boards to grant a COLA based on funding level and the date of most recent COLA. A board may grant a COLA if the system is:

- (1) At least 90% funded and no COLA was granted in the most recent fiscal year.
- (2) At least 80% funded and no COLA was granted in either of the two most recent fiscal years.
- (3) At least 70% funded and no COLA was granted in any of the three most recent fiscal years.

Proposed law retains present law and authorizes the ASSR board to grant a COLA in any fiscal year in which the system is more than 100% funded. Specifies that the funded ratio as of any fiscal year end shall be defined as the ratio of the actuarial value of assets to the level percentage of payroll entry age normal actuarial accrued liability. Excludes the money that will fund the COLA from the determination of funded ratio under proposed law.

Present law provides that, unless the legislature or the system board specifies otherwise, a COLA shall be an increase of the monthly benefit of each recipient in the dollar amount equal to:

- (1) The total of the number of years of credited service accrued at retirement or at the death of the member or retiree.
- (2) The number of years since retirement or since the death of the member or retiree.

Present law provides that if there are not sufficient funds to fund the benefit at the rate of \$1 per year for the total number of years, then the rate shall be reduced in proportion to the amount of funds that are available in the FDA to fund the COLA.

Proposed law allows the ASSR board to grant a COLA of a dollar amount based on years of service and the years since the benefit payments began. Allows the board to use more than \$1 as the multiplier and to have different multipliers. Limits the selection of multiples used in this calculation by prohibiting the total actuarial present value of an increase under proposed law from exceeding the actuarial present value of a COLA that increases each recipient's benefit by 3%.

Proposed law otherwise retains present law.

Present law, applicable to certain statewide systems including ASSR, authorizes the board of trustees to use excess investment income to provide a supplemental COLA equal to 2% of the original benefit to all retirees and beneficiaries who are 65 years of age or older. Limits the authority to years in which the actuarial rate of return exceeds the valuation interest rate.

Present law governing the FDA allows FDA funds to be used to pay any COLA otherwise authorized by present law.

Proposed law authorizes the ASSR board to grant a COLA of up to 2% of the current benefit to recipients who are 65 years of age or older funded by funds in the FDA. Specifies that this may be in addition to any other COLA granted.

Proposed law otherwise retains present law.

Present law provides relative to the authority of the board of trustees to grant a COLA in a year in which the legislature fails to enact legislation granting a COLA.

Present law prohibits the governing authority from granting a COLA during any calendar year prior to the final adjournment of the regular session of the legislature.

Present law provides that a COLA cannot be granted until a lapse of at least one-half of the fiscal year and the funded ratio of the previous fiscal year exceeds the target ratio as defined in present law.

Proposed law removes the limitations of present law for ASSR.

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

(Amends R.S. 11:1404(A), 1461, and 1481(1)(b); Adds R.S. 11:1485; Repeals R.S. 11:105(A)(1), 106(A)(1), 107(A)(1), 107.1(A)(1), 242(B)(1), 243(A)(1), and 246(A)(1))