

# FISCAL NOTE

**Bill #:** HB0074

**Title:** Increase game wardens' and peace officers' service retirement benefit formula

**Primary Sponsor:** Edith Clark

**Status:** Second Reading

Sponsor signature	Date	Chuck Swysgood, Budget Director	Date
-------------------	------	---------------------------------	------

## Fiscal Summary

	<u>FY2002 Difference</u>	<u>FY2003 Difference</u>
<b>Expenditures:</b>		
Other (GWPORS trust fund)	700,000	700,000
<b>Revenue:</b>		
Other	0	0
<b>Net Impact on General Fund Balance:</b>	<b>\$0</b>	<b>\$0</b>

<u>Yes</u>	<u>No</u>		<u>Yes</u>	<u>No</u>	
	X	Significant Local Gov. Impact		X	Technical Concerns
	X	Included in the Executive Budget		X	Significant Long-Term Impacts
	X	Dedicated Revenue Form Attached		X	Family Impact Form Attached

## Fiscal Analysis

### ASSUMPTIONS:

1. This bill will increase the normal cost of the Game Wardens' and Peace Officers Retirement System by 3.34 percent, or from 13.91 to 17.25 percent.
2. The Game Wardens' and Peace Officers' Retirement System (GWPORS) trust funds will absorb the cost of this benefit enhancement.

3. These benefits will be paid in future biennia as active members retire and become eligible for the benefit. Due to implementation dates there will be minimal payments for this benefit in the 2002-2003 biennium.
4. The legislature is considering other legislation, such as increasing the GABA (HB 294) and reducing the waiting period for GABA (SB 89). If all three bills pass, the normal cost rate for the retirement system will be larger than the contribution rate available to pay for benefits. The amendment to this bill by the House State Administration Committee increases member contributions from 8.5 percent to 10.56 percent. The revenue generated from the increased member contributions will fund the actuarial cost of the increased benefits. Because the members are paying the increased contributions, this bill will have no increased cost to the general fund.

FISCAL IMPACT:

	<u>FY2002 Difference</u>	<u>FY2003 Difference</u>
<u>Expenditures:</u>		
Benefits	\$700,000	\$700,000
<u>Funding:</u>		
Other (GWPORS trust fund)	\$700,000	\$700,000
<u>Revenues:</u>		
Other	\$0	\$0
<u>Net Impact to Fund Balance (Revenue minus Expenditure):</u>		
Other (GWPORS trust fund)	(\$700,000)	(\$700,000)

LONG-RANGE IMPACTS:

The same funding will be required of the retirement trust fund for the years beyond the biennium. The benefits resulting from this enhancement will be paid in future years as active members retire and become eligible for the benefits.