

This bill requires State agencies to fund the purchase of retirement service credit up to \$5,000 per year, up to a maximum of \$25,000 from existing budgets. There are 658 individuals at the present time with 25 to 30 years of service. The cost if this entire group chose to purchase the maximum credit would be \$10,255,000 spread throughout most State agencies. If 20 percent of the eligible individuals chose this option, the cost of the first year is estimated at \$2,051,000 and would be redirected from other programs to fund the provisions of this bill.

Individual and Business Impact

Individuals would be given the option to purchase retirement credit and receive a \$5,000 per year subsidy from their employing agency. Most individuals would have to pay a portion of the required amount to receive the credit. The amount the individual would be required to pay would depend on his or her age, number of years being purchased and the salary at the time of purchase.

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