
Fiscal Note**S.B. 63 2nd Sub. (Salmon) - New Public Employees' Tier II Contributory Retirement Act**

2010 General Session

State of Utah

State Impact

This bill will result in a net retirement rate changes impacting FY 2012. The rate changes for state agencies would be as follows:

Non-contributory: -3.72%

Contributory: +3.97%

Public Safety Noncontributory: -10.63%

Public Safety Contributory: +0.4%

Because the effective date for new hires joining the Tier II system is July 1, 2011 there will not be a fiscal impact in FY 2011. The state will avoid future cost increases beginning in FY 2012 and have to contribute less under the new Tier II system than they would have under the current benefit structure.

Individual, Business and/or Local Impact

The bill will not affect private plans.

Net retirement rates for local government retirement plans will change as follows:

Non-contributory: -3.04%

Contributory: +3.04%

Firefighters Retirement System: between +10.92 and +12.00%

Public Safety Noncontributory: -9.34 to -10.34%

Public Safety Contributory: between -1.92 and +0.86%

Qualifying individuals will be affected by the bill.
