



Fiscal Note

S.B. 36

2016 General Session
 Postretirement Employment Exceptions
 by Mayne, K.



General, Education, and Uniform School Funds

JR4-5-101

	Ongoing	One-time	Total
Net GF/EF/USF (rev.-exp.)	\$0	\$0	\$0

State Government

UCA 36-12-13(2)(b)

Enactment of this legislation likely will not materially impact state revenue.

Revenues	FY 2016	FY 2017	FY 2018
Total Revenues	\$0	\$0	\$0

Enactment of this legislation would likely increase the actuarially determined contribution rates for URS systems. At present, the URS board certified contribution rates paid by employers are higher than the actuarially determined rates, so employer costs would not immediately increase. However, the portion of retirement contributions designated to reduce the existing unfunded retirement liability would decrease by \$2,633,500 per year. Additionally, the presumed incentive for employees to retire earlier would increase in the unfunded actuarial accrued retirement liability of the State by \$41,863,600.

Expenditures	FY 2016	FY 2017	FY 2018
Total Expenditures	\$0	\$0	\$0

Net All Funds	\$0	\$0	\$0
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Local Government

UCA 36-12-13(2)(c)

Enactment of this legislation would likely increase the actuarially determined contribution rates for URS systems. At present, the URS board certified contribution rates paid by employers are higher than the actuarially determined rates, so employer costs would not immediately increase. However, the portion of retirement contributions designated to reduce the existing unfunded retirement liability would decrease by \$3,266,600 per year for local governments and \$3,609,900 per year for schools. Additionally, the presumed incentive for employees to retire earlier would increase in the unfunded actuarial accrued retirement liability by \$51,102,800 for local governments and \$48,445,700 for schools.

Individuals & Businesses

UCA 36-12-13(2)(d)

Enactment of this legislation would likely increase the actuarially determined contribution rates Tier II Hybrid plans. With employers' costs fixed at 10% of pay (12% of pay for public safety and firefighters), the increase in rates would result in a decrease in contributions to employees defined contribution plans by \$765,000 annually.

No performance note required for this bill

Notes on Notes

Fiscal notes estimate the direct costs or revenues of enacting a bill. The Legislature uses them to balance the budget. They do not measure a bill's benefits or non-fiscal impacts like opportunity costs, wait times, or inconvenience. A fiscal note is not an appropriation. The Legislature decides appropriations separately.