

State Impact

This bill increases the service factor for all retirees for all years of service to "at least 1.5 percent". This will result in increased retirement rates for all current employees covered by the contributory and noncontributory retirement plans. Assuming the 1.5 percent level, the cost is estimated at \$1.7 million, distributed among all state agencies and public and higher education.

The bill also would affect local governments whose retirement rates would increase by 0.04 percent, funded from local revenues.

	<u>FY 2005</u>	<u>FY 2006</u>	<u>FY 2005</u>	<u>FY 2006</u>
	<u>Approp.</u>	<u>Approp.</u>	<u>Revenue</u>	<u>Revenue</u>
General Fund	\$328,600	\$328,600	\$0	\$0
Uniform School Fund	\$1,079,600	\$1,079,600	\$0	\$0
Transportation Fund	\$48,400	\$48,400	\$0	\$0
Federal Funds	\$129,700	\$129,700	\$0	\$0
Dedicated Credits Revenue	\$30,000	\$30,000	\$0	\$0
Transfers	\$26,400	\$26,400	\$0	\$0
Restricted Funds	\$76,000	\$76,000	\$0	\$0
TOTAL	\$1,718,700	\$1,718,700	\$0	\$0

Individual and Business Impact

This bill could increase the benefits for some public sector retirees.
