

State Impact

This bill increases the service factor for all retirees for all years of service to "at least 2 percent." Such an increase will cause retirement rates (as a percentage of salary) to rise for all current employees covered by the contributory and noncontributory retirement plans. Assuming the 2 percent level, the cost is estimated at \$5.6 million, distributed among all state agencies and public education. The bill would also affect local governments, whose retirement rates (as a percentage of salary) would increase by 0.11 percent, funded from local revenues.

	<u>FY 2007</u> <u>Approp.</u>	<u>FY 2008</u> <u>Approp.</u>	<u>FY 2007</u> <u>Revenue</u>	<u>FY 2008</u> <u>Revenue</u>
General Fund	\$921,200	\$921,200	\$0	\$0
Uniform School Fund	\$3,704,700	\$3,704,700	\$0	\$0
Transportation Fund	\$122,600	\$122,600	\$0	\$0
Federal Funds	\$383,800	\$383,800	\$0	\$0
Federal Mineral Lease	\$3,700	\$3,700	\$0	\$0
Dedicated Credits	\$218,500	\$218,500	\$0	\$0
Restricted Funds	\$106,300	\$106,300	\$0	\$0
Transfers	\$81,400	\$81,400	\$0	\$0
Other	\$40,400	\$40,400	\$0	\$0
TOTAL	\$5,582,600	\$5,582,600	\$0	\$0

Individual and Business Impact

This bill could increase the retirement benefit for some public sector retirees.
