

State Impact

Passage of this bill will require a payment of 30 percent of the annual tax collected on vehicle liability insurance and vehicle physical damage insurance premiums for property insurance to the Public Safety Contributory and Noncontributory Retirement Trust Funds, resulting in a decrease in General Fund Revenue of approximately \$7.9 million.

The bill will also require an increase in State and local government public safety retirement contribution rates. The increase will be dependent on the amount deposited into the trust funds described above. Assuming a \$7.9 million payment to the trust funds, State contribution rates would increase by 0.88 percentage points, requiring an appropriation of approximately \$875,000 from various funding sources. The rate increase for local governments would vary between entities, ranging from 0.67 to 1.14 percentage points, funded from local sources.

	<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	\$776,800	\$776,800	(\$7,872,900)	(\$7,872,900)
Transportation Fund	\$400	\$400	\$0	\$0
Federal Funds	\$5,000	\$5,000	\$0	\$0
Dedicated Credits	\$34,600	\$34,600	\$0	\$0
Restricted Funds	\$58,500	\$58,500	\$0	\$0
Trust Funds	\$0	\$0	\$7,872,900	\$7,872,900
TOTAL	\$875,300	\$875,300	\$0	\$0

Individual and Business Impact

This bill could affect retirees of the Public Safety Retirement Systems by increasing the annual maximum cost-of-living allowance, depending on the Consumer Price Index. The bill could also affect some spouses of deceased retirees of the systems by increasing their allowance.
