

State Impact

Passage of this bill will cause retirement contribution rates (as a percentage of salary) to rise 194 basis points (1.94%) for all current State employees covered under the Public Employees' Noncontributory Retirement System and 3 basis points for all current State employees covered under the Public Employees' Contributory, Public Safety, and Judges Retirement Systems. The total cost to the State for these rate increases is estimated at \$42 million.

The bill would also affect local governments, whose noncontributory retirement rates (as a percentage of salary) would increase by 185 basis points, funded from local revenues.

	<u>FY 2007</u>	<u>FY 2008</u>	<u>FY 2007</u>	<u>FY 2008</u>
	<u>Approp.</u>	<u>Approp.</u>	<u>Revenue</u>	<u>Revenue</u>
General Fund	\$6,763,900	\$6,763,900	\$0	\$0
Uniform School Fund	\$28,160,700	\$28,160,700	\$0	\$0
Transportation Fund	\$948,400	\$948,400	\$0	\$0
Federal Funds	\$2,830,400	\$2,830,400	\$0	\$0
Dedicated Credits	\$1,553,600	\$1,553,600	\$0	\$0
Other	\$1,712,900	\$1,712,900	\$0	\$0
TOTAL	\$41,969,900	\$41,969,900	\$0	\$0

Individual and Business Impact

Employees covered by the Public Employees' Noncontributory Retirement System who retire after 25 years of service may receive a higher retirement allowance if this bill passes.
