



Fiscal Note
S.B. 113 1st Sub. (Green)
 2018 General Session
 Postretirement Reemployment Revisions
 by Iwamoto, J. (Iwamoto, Jani.)



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 2018	FY 2019	FY 2020
Total Revenues	\$0	\$0	\$0

This bill has no direct impact on retirement rates. Should state agency employers opt to pay the 45% surcharge to hire an employee covered by the bill, and presuming the rehired wage is \$65,000 for up to 206 individuals annually, then state agencies could incur a cost of up to \$6 million annually.

Expenditures	FY 2018	FY 2019	FY 2020
Total Expenditures	\$0	\$0	\$0

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

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

This bill has no direct impact on retirement rates. Should local government employers opt to pay the 45% surcharge to hire an employee covered by the bill, and presuming the rehired wage is \$65,000 for up to 659 individuals annually, then local governments may incur a cost of up to \$19 million annually.

Individuals & Businesses

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

For eligible individuals, this bill expands the options for reemployment following retirement. For an individual with an average final compensation of \$65,000 and 30 years of service at age 55, and presuming the individual works an additional 5 years after retirement, this bill represents a potential increase in the present value of lifetime compensation of \$66,000. An estimated up to 865 individuals may seek to take advantage of the benefit.

Regulatory Impact

Enactment of this legislation likely will not change the regulatory burden for Utah residents or businesses.

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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.