

**SENATE APPROPRIATIONS COMMITTEE
FISCAL NOTE**

BILL NO. Senate Bill 1125

PRINTER NO. 1634

AMOUNT

\$52,453,000
\$6,801,000

FUND

Public School Employees' Retirement Fund
PSERS Defined Contribution Funds

DATE INTRODUCED

April 9, 2018

PRIME SPONSOR

Senator Browne

DESCRIPTION AND PURPOSE OF BILL

Senate Bill 1125 appropriates \$52,453,000 from the Public School Employees' Retirement Fund to the Public School Employees' Retirement Board for expenses incurred by the Board, for the administration of the legacy defined benefit retirement system in Fiscal Year 2018-19 and any remaining bills unpaid at the close of Fiscal Year 2017-18.

The bill also appropriates \$6,801,000 from the PSERS Defined Contribution Fund to the Public School Employees' Retirement Board for expenses incurred by the Board, for the administration of the Public School Employees' Defined Contribution Plan in Fiscal Year 2018-19 and any remaining bills unpaid at the close of Fiscal Year 2017-18.

The act is scheduled to take effect July 1, 2018, or immediately, whichever is later.

FISCAL IMPACT:

The enactment of Senate Bill 1125 will cost \$59,254,000 in Fiscal Year 2018-19. Specifically, \$52,453,000 in costs will be borne from the Public School Employees' Retirement Fund, and \$6,801,000 in costs will be borne from the PSERS Defined Contribution Fund.

The preliminary funding amount contained in the bill is level with last year's budget and represents a \$2,667,000 increase from the Governor's proposed level. The appropriation will be revised when a final funding amount for Fiscal Year 2018-19 is determined.