

SENATE APPROPRIATIONS COMMITTEE FISCAL NOTE

BILL NO. House Bill 2471

PRINTER NO. 3842

AMOUNT

\$52,294,000
\$1,083,000

FUND

Public School Employees' Retirement Fund
PSERS Defined Contribution Fund

DATE INTRODUCED

April 30, 2020

PRIME SPONSOR

Representative Saylor

DESCRIPTION

House Bill 2471 appropriates \$52,294,000 from the Public School Employees' Retirement Fund to the Public School Employees' Retirement Board (board) for expenses incurred by the board for the administration of the legacy defined benefit retirement system in Fiscal Year 2020-21 and any remaining bills unpaid at the close of Fiscal Year 2019-20.

The legislation also appropriates \$1,083,000 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 2020-21 and any remaining bills unpaid at the close of Fiscal Year 2019-20.

This act shall take effect July 1, 2020, or immediately, whichever is later.

FISCAL IMPACT

House Bill 2471 will cost the Commonwealth a total of \$53,377,000 in Fiscal Year 2020-21. Specifically, \$52,294,000 in costs will be borne from the Public School Employees' Retirement Fund, and \$1,083,000 in costs will be borne from the PSERS Defined Contribution Fund.

The funding amount represents a reduction of \$4,195,000 (8.4%) from the current year's budget and is the same amount as recommended by the Governor.

	2019- 2020	2020- 2021	\$ Inc - Dec	% Inc - Dec
PSERS Appropriations				
PSERS - Administration	\$ 51,838,000	\$ 52,294,000	\$ 456,000	0.9%
PSERS - Administration PSERS DC	\$ 2,454,000	\$ 1,083,000	\$ (1,371,000)	-55.9%
PSERS - Investment Office Consolidation	\$ 4,000,000	\$ -	\$ (4,000,000)	-100.0%
Total	\$ 58,292,000	\$ 53,377,000	\$ (4,915,000)	-8.4%