

**SENATE APPROPRIATIONS COMMITTEE
FISCAL NOTE**

BILL NO. Senate Bill 240

PRINTER NO. 991

AMOUNT

\$33,208,000
\$3,852,000

FUND

State Employees' Retirement Fund
SERS Defined Contribution Fund

DATE INTRODUCED

February 7, 2019

PRIME SPONSOR

Senator Browne

DESCRIPTION AND PURPOSE OF BILL

Senate Bill 240 appropriates \$33,208,000 from the State Employees' Retirement Fund to the State Employees' Retirement Board as follows:

- \$31,808,000 for expenses incurred by the board for the administration of the legacy defined benefit retirement system in Fiscal Year 2019-20 and any remaining bills unpaid at the close of Fiscal Year 2018-19.
- \$1,400,000 for expenses for the activities of the Board related to investment office consolidation in Fiscal Year 2019-20.

The bill also appropriates \$3,852,000 from the SERS Defined Contribution Fund to the State Employees' Retirement Board for expenses incurred by the board for the administration of the State Employees' Defined Contribution Plan in Fiscal Year 2019-20 and any remaining bills unpaid at the close of Fiscal Year 2018-19.

The act is scheduled to take effect July 1, 2019, or immediately, whichever is later.

FISCAL IMPACT:

The enactment of Senate Bill 240 will cost \$37,060,000 in Fiscal Year 2019-20. Specifically, \$33,208,000 in costs will be borne from the State Employees' Retirement Fund, and \$3,852,000 in costs will be borne from the SERS Defined Contribution Fund.