

# SENATE APPROPRIATIONS COMMITTEE

## FISCAL NOTE

**BILL NO.** Senate Bill 1051

**PRINTER NO.** 1523

**AMOUNT**

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

**FUND**

State Employees' Retirement Fund  
SERS Defined Contribution Fund

**DATE INTRODUCED**

February 6, 2020

**PRIME SPONSOR**

Senator Browne

**DESCRIPTION**

Senate Bill 1051 appropriates \$33,208,000 from the State Employees' Retirement Fund to the State Employees' Retirement Board (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 2020-21 and any remaining bills unpaid at the close of Fiscal Year 2019-20.
- \$1,400,000 for expenses for the activities of the board related to investment office consolidation in Fiscal Year 2020-21.

The legislation 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 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**

Senate Bill 1051 will cost the Commonwealth a total of \$37,060,000 in Fiscal Year 2020-21. 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. That preliminary funding amount is level with last year's budget and differs from the Governor's proposed level. The appropriation will be revised when a final funding amount for Fiscal Year 2020-21 is determined.