

SENATE APPROPRIATIONS COMMITTEE

FISCAL NOTE

BILL NO. Senate Bill 256

PRINTER NO. 231

AMOUNT

\$30,696,000
\$4,557,000

FUND

State Employees' Retirement Fund
SERS Defined Contribution Fund

DATE INTRODUCED

February 22, 2021

PRIME SPONSOR

Senator Browne

DESCRIPTION

Senate Bill 256 appropriates \$30,696,000 from the State Employees' Retirement Fund to the State Employees' Retirement Board (board) for expenses incurred by the board for the administration of the legacy defined benefit retirement system in Fiscal Year 2021-22 and any remaining bills unpaid at the close of Fiscal Year 2020-21.

The legislation also appropriates \$4,557,000 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 2021-22 and any remaining bills unpaid at the close of Fiscal Year 2020-21.

This act shall take effect July 1, 2021, or immediately, whichever is later.

FISCAL IMPACT

Senate Bill 256 will cost the Commonwealth a total of \$35,253,000 in Fiscal Year 2021-22. Specifically, \$30,696,000 in costs will be borne from the State Employees' Retirement Fund, and \$4,557,000 in costs will be borne from the SERS Defined Contribution Fund.

The preliminary funding amount contained in the legislation 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 2021-22 is determined.