

SENATE APPROPRIATIONS COMMITTEE FISCAL NOTE

BILL NO. Senate Bill 486

PRINTER NO. 911

AMOUNT

\$35,960,000
\$5,345,000

FUND

State Employees' Retirement Fund
SERS Defined Contribution Fund

DATE INTRODUCED

March 28, 2023

PRIME SPONSOR

Senator Martin

DESCRIPTION

Senate Bill 486 appropriates \$35,960,000 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 2023-24 and any remaining bills unpaid at the close of Fiscal Year 2022-23.

The legislation also appropriates \$5,345,000 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 2023-24 and any remaining bills unpaid at the close of Fiscal Year 2022-23.

This act shall take effect July 1, 2023, or immediately, whichever is later.

FISCAL IMPACT

Senate Bill 486 will cost the Commonwealth a total of \$41,305,000 in Fiscal Year 2023-24. Specifically, \$35,960,000 in costs will be borne from the State Employees' Retirement Fund, and \$5,345,000 in costs will be borne from the SERS Defined Contribution Fund. The funding amount represents an increase of \$2,826,000, or 7.3%, over the current year's (2022-23) budgeted amount.