

Fiscal Note

State of Alaska
2018 Legislative Session

Bill Version: SB 159
Fiscal Note Number:
() Publish Date:

Identifier: SB159-DOA-DRB-03-15-18
Title: PERS/TERS DISTRIBUTIONS
Sponsor: RLS BY REQUEST OF THE GOVERNOR
Requester: (S) STA

Department: Department of Administration
Appropriation: Centralized Administrative Services
Allocation: Retirement and Benefits
OMB Component Number: 64

Expenditures/Revenues

Note: Amounts do not include inflation unless otherwise noted below.

(Thousands of Dollars)

	FY2019 Appropriation Requested	Included in Governor's FY2019 Request	Out-Year Cost Estimates				
			FY 2019	FY 2019	FY 2020	FY 2021	FY 2022
OPERATING EXPENDITURES							
Personal Services							
Travel							
Services							
Commodities							
Capital Outlay							
Grants & Benefits							
Miscellaneous							
Total Operating			0.0	0.0	0.0	0.0	0.0

Fund Source (Operating Only)

None							
Total		0.0	0.0	0.0	0.0	0.0	0.0

Positions

Full-time							
Part-time							
Temporary							

Change in Revenues

None							
Total		0.0	0.0	0.0	0.0	0.0	0.0

Estimated SUPPLEMENTAL (FY2018) cost: 0.0 *(separate supplemental appropriation required)*
(discuss reasons and fund source(s) in analysis section)

Estimated CAPITAL (FY2019) cost: 0.0 *(separate capital appropriation required)*
(discuss reasons and fund source(s) in analysis section)

ASSOCIATED REGULATIONS

Does the bill direct, or will the bill result in, regulation changes adopted by your agency? Yes
If yes, by what date are the regulations to be adopted, amended or repealed? 07/01/18

Why this fiscal note differs from previous version/comments:

Updated to specify lack of actuarial impact to retirement plan.

Prepared By:
Division:
Approved By:
Agency:

Ajay Desai
Retirement and Benefits
Leslie Ridle, Commissioner
Department of Administration

Phone: (907)465-4471
Date: 03/15/2018 05:30 PM
Date: 03/15/18

FISCAL NOTE ANALYSIS

STATE OF ALASKA
2018 LEGISLATIVE SESSION

BILL NO. SB 159

Analysis

This bill amends AS 14.25.420(a) and AS 39.35.820(a) to remove the list of disbursement options from statute and move the options to regulations. New language removes the list of disbursement options and replaces it with general language authorizing a lump sum payment of the entire balance or a periodic payment option authorized by the regulations.

This change will allow more flexibility to the Plan Administrator, with adoption by the Alaska Retirement Management Board, to add new options as they become available and are of benefit to participants. Future disbursement options will go through the regulatory process with public notice to all stakeholders and interested parties.

This legislation will have no actuarial impact to the TRS or PERS since any costs incurred when electing a distribution option is borne by the participant. Therefore, the agency submits a zero fiscal note.