

FISCAL NOTE

STATE OF ALASKA
2012 LEGISLATIVE SESSION

Bill Version **SB121**
Fiscal Note Number _____
() Publish Date _____

Identifier (file name) SB121-DOR-TRS-01-24-12
Title An Act relating to the PERS and TRS
Dept. Affected Revenue
Appropriation Taxation & Treasury
Allocation ARMB Custody & Mgmt Fee
Sponsor Senators Egan, Menard, Paskvan, Davis, Kookesh
Requester Senate State Affairs
OMB Component Number 2812

Expenditures/Revenues (Thousands of Dollars)

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

	FY13 Appropriation Requested	Included in Governor's FY13 Request	Out-Year Cost Estimates				
OPERATING EXPENDITURES	FY13	FY13	FY14	FY15	FY16	FY17	FY18
Personal Services							
Travel							
Services	593.0		690.0	795.0	909.0	1,032.0	1,164.0
Commodities							
Capital Outlay							
Grants, Benefits							
Miscellaneous							
TOTAL OPERATING	593.0	0.0	690.0	795.0	909.0	1,032.0	1,164.0

FUND SOURCE		(Thousands of Dollars)					
1002	Federal Receipts						
1003	GF Match						
1004	GF						
1005	GF/Prgm (DGF)						
1029	PERS Trust (Other)	413.0	482.0	557.0	638.0	725.0	819.0
1034	Teach Ret (Other)	180.0	208.0	238.0	271.0	307.0	345.0
TOTAL		593.0	0.0	690.0	795.0	909.0	1,032.0

POSITIONS							
Full-time							
Part-time							
Temporary							

CHANGE IN REVENUES							
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Estimated SUPPLEMENTAL (FY12) operating costs _____ (separate supplemental appropriation required)
(discuss reasons and fund source(s) in analysis section)

Estimated CAPITAL (FY13) costs _____ (separate capital appropriation required)
(discuss reasons and fund source(s) in analysis section)

Why this fiscal note differs from previous version (if initial version, please note as such)

Initial note.

Prepared by Pam Leary, Comptroller
Division Treasury
Approved by Angela Rodell, Deputy Commissioner
Department of Revenue

Phone 465-2350
Date/Time 1/24/12 12:00 AM
Date 1/24/12 12:00 AM

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BILL NO. SB121

Analysis

SB 121 allows future and current defined contribution PERS and TRS members an opportunity to choose between a defined contribution (DC) and a defined benefit (DB) plan. Current DC members will have a one-time opportunity to convert to the DB plan. The DC member's employee and employer contributions will be transferred to the DB plan.

Assumptions:

60% of the current defined contribution plan will be elected by DC members to convert to the DB plan. 80% of future members will elect to be in the DB plan.

Rate of return assumed to be 8%

Management fees assumed at 35 basis points.