

FISCAL NOTE

STATE OF ALASKA
2002 LEGISLATIVE SESSION

Fiscal Note Number: 2
 Bill Version: SCS SS HB 254(Rules)
 (S) Publish Date: 5/13/02

Revision Date/Time (Note if correction): _____ Dept. Affected: Administration
 Title Retirement System Tax Qualification BRU Centralized Administrative Services
 Component Retirement and Benefits
 Sponsor Representative James
 Requester Senate Rules Component No. 64

Expenditures/Revenues (Thousands of Dollars)

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

OPERATING EXPENDITURES	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008
Personal Services						
Travel						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
TOTAL OPERATING	0.0	0.0	*	*	*	*

CAPITAL EXPENDITURES						
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CHANGE IN REVENUES ()						
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FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (1029 PERS)	0.0	0.0	*	*	*	*
TOTAL						

Estimate of any current year (FY2002) cost: 0.0

Check this box (X) if funding for this bill is included in the Governor's FY 2003 budget proposal:

POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

House Bill 254 makes technical changes to the Public Employees', Teachers', and Judicial retirement systems to comply with the Internal Revenue Code. Enactment of this legislation will benefit public employees and teachers by allowing them to purchase service credit in their retirement plans with transfers of pre-tax savings in certain plans allowed by the Internal Revenue Code or payroll deductions. The amended version makes modest occupational disability and death benefit enhancements for peace officers and fire fighters, and changes the basis for calculating final average salary for peace officer retirement benefits from five to three years. This change will produce a very small PERS rate increase to the State of Alaska and an increased annual cost of \$344.0 beginning in FY 05. This cost will be spread across all state agencies' personal services budgets.

Prepared by: Guy Bell, Director Phone 465-4471
 Division Retirement and Benefits Date/Time May 12, 2002
 Approved by: Jim Duncan, Commissioner Date May 12, 2002
 Agency Department of Administration