

FISCAL NOTE

STATE OF ALASKA
2004 LEGISLATIVE SESSION

Fiscal Note Number: 3
 Bill Version: CSHB 329(STA)
 (H) Publish Date: 2/23/04
 Dept. Affected: Various
 RDU: Various
 Component: Various
 Component No. _____

Revision Date/Time (Note if correction): _____
 Title: An Act relating to retirement incentive programs for PERS, TRS, JRS; related separation incentives
 Sponsor: Rep. McGuire
 Requester: _____

Expenditures/Revenues (Thousands of Dollars)

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

OPERATING EXPENDITURES	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010
Personal Services	Indeterminate as of this date - See explanation below					
Travel						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
TOTAL OPERATING	*	*	*	*	*	*

CAPITAL EXPENDITURES						
CHANGE IN REVENUES ()						

FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF	ALL FUNDING SOURCES					
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type--Do not abbreviate)						
TOTAL	*	*	*	*	*	*

Estimate of any current year (FY2004) cost: 0.0
 Mark this box (X) if funding for this bill is included in the Governor's FY 2005 budget proposal:

POSITIONS

AS 24.08.036 FISCAL NOTES ON BILLS AFFECTING STATE RETIREMENT SYSTEMS, requires an analysis of the long term and short term costs to the state if a bill is adopted, as well as the impact of the bill on the actuarial soundness of the funds.

The fiscal impact is two fold, 1) the administrative cost, but, more importantly, 2) all related system funding requirements of potential RIP eligibles generated to affected employers and the system. That means eligible employees are determined from all active employees (by employee), for all employers, for all affected systems; then determine the cost related to them. This requires significant analysis by active member to determine eligibles by the Division, and then to calculate all related costs (by the system's Actuary). Mercer, our actuarial consultant will be initiating a cost analysis on this bill.

Prepared by: Melanie Millhorn, Director Phone 465-4408
 Division: Retirement and Benefits Date/Time 1/28/04 4:17 PM
 Approved by: Mike Miller, Commissioner Date _____
 Agency: Administration