

# FISCAL NOTE

**STATE OF ALASKA**  
**2012 LEGISLATIVE SESSION**

Bill Version CSSB 121(STA)  
 Fiscal Note Number 2  
 (S) Publish Date 2/17/12

Identifier (file name) SB121-DOR-TRS-01-24-12 Dept. Affected Revenue  
 Title An Act relating to the PERS and TRS 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					
			FY13	FY14	FY15	FY16	FY17	FY18
<b>OPERATING EXPENDITURES</b>								
Personal Services								
Travel								
Services	593.0		690.0	795.0	909.0	1,032.0	1,164.0	
Commodities								
Capital Outlay								
Grants, Benefits								
Miscellaneous								
<b>TOTAL OPERATING</b>	<b>593.0</b>	<b>0.0</b>	<b>690.0</b>	<b>795.0</b>	<b>909.0</b>	<b>1,032.0</b>	<b>1,164.0</b>	

**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	
<b>TOTAL</b>		<b>593.0</b>	<b>0.0</b>	<b>690.0</b>	<b>795.0</b>	<b>909.0</b>	<b>1,032.0</b>	<b>1,164.0</b>

**POSITIONS**

Full-time							
Part-time							
Temporary							

**CHANGE IN REVENUES**

**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

**FISCAL NOTE #2**

**STATE OF ALASKA  
2012 LEGISLATIVE SESSION**

**BILL NO. CSSB 121(STA)**

**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.