

Fiscal Note

State of Alaska
2018 Legislative Session

Bill Version:	CSHB 306(FIN)
Fiscal Note Number:	2
(H) Publish Date:	4/12/2018

Identifier: HB306-DOA-DRB-03-13-18
 Title: PERS/TERS DISTRIBUTIONS
 Sponsor: RLS BY REQUEST OF THE GOVERNOR
 Requester: (H) FIN

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	Included in	Out-Year Cost Estimates					
	Appropriation Requested	Governor's FY2019 Request	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
OPERATING EXPENDITURES								
Personal Services								
Travel								
Services								
Commodities								
Capital Outlay								
Grants & Benefits								
Miscellaneous								
Total Operating	0.0	0.0	0.0	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	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	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 If yes, by what date are the regulations to be adopted, amended or repealed? 07/01/18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.

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 Approved By: Leslie Ridle, Commissioner
 Agency: Department of Administration

Phone: (907)465-4471
 Date: 03/13/2018 10:00 AM
 Date: 03/14/2018

**REPORTED OUT OF
HFC 04/11/2018**

FISCAL NOTE ANALYSIS

STATE OF ALASKA
2018 LEGISLATIVE SESSION**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.