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STATE OF ALASKA 1986 LEGISLATIVE SESSION
FISCAL NOTE

Revision Date: _____

<u>REQUEST</u> Bill/Resolution No.: <u>SB 420</u> Title: <u>"An Act relating to repealing outside service ..."</u> Sponsor: <u>p. Fischer</u> Requestor: <u>p. Fischer</u> Date of Request: <u>2/20/86</u>	<u>FISCAL DETAIL</u> Agency Affected: <u>Department of Education</u> BRJ: <u>Retirement & Benefits, TRS State Match</u> Components: <u>Retirement & Benefits. (TRS), TRS State Match</u>
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EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 86	FY 87	FY 88	FY 89	FY 90	FY 91
OPERATING						
PERSONAL SERVICES						
RTMNT & BNFTS		[17.1]	[18.5]	[19.9]	[21.5]	[23.3]
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
TRS MATCH		[114.2]	[123.3]	[133.2]	[143.9]	[155.3]
TOTAL OPERATING	-0-	[131.3]	[141.8]	[153.1]	[165.4]	[178.6]
CAPITAL						
REVENUE						

FUNDING: (Thousands of Dollars)

GENERAL FUND		[131.3]	[141.8]	[153.1]	[165.4]	[178.6]
FEDERAL FUNDS						
OTHER						
TOTAL	-0-	[131.3]	[141.8]	[153.1]	[165.4]	[178.6]

POSITIONS:

	-0-	-0-	-0-	-0-	-0-	-0-
FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS: Attach a separate page if necessary

See attached

Prepared By: <u>J.K. Humphreys, Director</u> Division: <u>Retirement & Benefits</u>	Phone: <u>465-4470</u> Date: <u>2/24/86</u>
Approved by Commissioner: <u>Eleanor Andrews</u> Agency: <u>Department of Administration</u>	Date: <u>2/26/86</u>

Distribution (by Agency preparing fiscal note):

- Legislative Finance
- Legislative Sponsor
- Requestor
- Office of Management and Budget
- Impacted Agency(ies)

Senate Bill 420
Fiscal Note Analysis
Prepared by Division of Retirement & Benefits
Department of Administration
February 24, 1986

ANALYSIS: Passage of this bill would prohibit members of the Teachers' Retirement System (TRS) from claiming outside service if they joined TRS on or after July 1, 1986.

This bill would decrease the state TRS contribution rate by .025% in FY 87. The state TRS payroll is estimated to be \$68,569,578 in FY 87 and to increase by 8% each year thereafter. The TRS state match contribution rate would also decrease by .025% in FY 87. The TRS state match payroll is estimated to be \$456,833,417 for FY 87 and to increase by 8% each year thereafter.

The state savings of [\$131.3] are calculated as follows:

The decrease in TRS contribution rate
(.025%) times the estimated FY 87 state
TRS payroll (\$68,569,578) equaling: [\$17,100.00]

Plus the decrease in TRS state match
contribution rate (.025%) times the
estimated FY 87 state match payroll
(\$456,833,417) equaling: [\$114,200.00]

Total FY 87 savings [\$131,300.00]

In addition to the state's savings above, School Districts' savings would be:

FY 87	FY 88	FY 89	FY 90	FY 91
[\$97.1]	[\$104.9]	[\$113.3]	[\$122.3]	[\$132.1]