FISCAL NOTE

Bill #:	SB0228	**Title:**	Revise highway patrol retirement eligibility
Primary Sponsor:	Pete Ekegren	**Status:**	As Introduced

Sponsor signature Date

Chuck Swysgood, Budget Director Date

Fiscal Summary

	FY2002 Difference	FY2003 Difference
Expenditures	0	0
Revenue	0	0
Net Impact on General Fund Balance:	**$0**	**$0**

Yes	No		Yes	No	
	X	Significant Local Gov. Impact		X	Technical Concerns
	X	Included in the Executive Budget		X	Significant Long-Term Impacts
	X	Dedicated Revenue Form Attached		X	Family Impact Form Attached

Fiscal Analysis

ASSUMPTIONS:

1. This provision is being considered along with increasing the guaranteed annual benefit adjustment from 1.5 to 3% (HB 294) and reducing the wait for the guaranteed annual benefit adjustment from 3 years to 1 year (SB 89). If other provisions are enacted, the cost associated with this provision may be different.
2. This bill by itself increases the actuarial normal cost rate from 17.72 % to 18.44 % of total covered payroll. The actuarial normal cost rate will increase from 17.72 % to 20.87 % if all three bills are passed.
3. If all three bills pass and the retirement trust fund absorbs the cost of this legislation, it will create an unfunded liability. Without an increase in contributions, the amortization of the new unfunded actuarial liability will be 6.57 years. This bill by itself will not create an unfunded liability.