

FISCAL NOTE

HB 67 - SB 156

February 2, 2005

SUMMARY OF BILL: Amends the retirement law by increasing the benefit improvement from 5% up to 12.5% in 1.5% increments over a five-year period for K-12 teachers if certain conditions are met.

ESTIMATED FISCAL IMPACT:

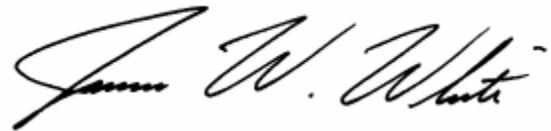
Increase State Expenditures - \$13,638,000 - \$68,190,000 Annual Amortized Cost
Increase Local Govt. Expenditures - \$9,092,000 - \$45,460,000 Annual Amortized Cost

Assumptions:

- Total lump sum pension liability of \$233,222,400 - \$1,166,112,000.
- A range is shown since the percentage increase is to be phased in through equal 1.5% increments over a 5-year period.
- Annual amortization cost assumes a 20-year lump sum liability.
- K-12 teachers assume a 60%-40% ratio between state and local funding.

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James W. White, Executive Director