

FISCAL NOTE

HB 294 - SB 382

March 3, 2005

SUMMARY OF BILL: Authorizes public employees to participate in a Section 457 Deferred Compensation Plan sponsored by an organization of which such employees are members outside the discretion of the employing government.

ESTIMATED FISCAL IMPACT:

Increase State Expenditures – Exceeds \$100,000

Increase Local Govt. Expenditures – Exceeds \$100,000*

Assumptions:

- State and local government expenditures will increase for any organization electing to participate in such deferred compensation plan.
- Computer system changes to alter payroll systems for each organization added would be significant.

*Article II, Section 24 of the Tennessee Constitution provides that: *no law of general application shall impose increased expenditure requirements on cities or counties unless the General Assembly shall provide that the state share in the cost.*

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