

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL MEMORANDUM

HB 1369 – SB 1357

May 29, 2009

SUMMARY OF AMENDMENT (009248): Deletes the provisions of the original bill and instead authorizes a local government participating in the Tennessee Consolidated Retirement System (TCRS) who has previously adopted non-contributory status for its employees to return to contributory status for new hires only.

FISCAL IMPACT OF ORIGINAL BILL:

MINIMAL

FISCAL IMPACT OF BILL WITH PROPOSED AMENDMENT:

Decrease Local Expenditures – Less than \$100,000/Permissive

Assumptions applied to amendment:

- About 40 percent of local governments participating in TCRS have adopted the non-contributory provisions.
- Savings will be realized in TCRS employer contributions by any local government adopting the provisions of this bill since any newly hired employee will be paying the five percent contribution instead of the local government.
- The amount of savings to local governments returning to contributory status for new hires cannot be precisely quantified but is estimated to be less than \$100,000 annually statewide.

CERTIFICATION:

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

A handwritten signature in cursive script, reading "James W. White".

James W. White, Executive Director

/dec

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