

**TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE**



FISCAL NOTE

HB 3090 - SB 3140

February 8, 2010

SUMMARY OF BILL: Authorizes local government entities to become participating employers in any deferred compensation program established on behalf of state employees, provided that such participation is approved by the chair of the Tennessee Consolidated Retirement System (TCRS) and conforms with terms and conditions prescribed by the chair. Authorizes any such entity, that elects to participate, the option of providing employer matching of contributions, provided that any matching contribution does not exceed the maximum allowed under the Internal Revenue Code.

ESTIMATED FISCAL IMPACT:

Increase State Expenditures – Not Significant

Assumptions:

- According to the Department of the Treasury, participation by local government entities will create no additional pension liabilities to the state.
- Any contributions made to a deferred compensation program will be from local government employees and local government entities.
- The Department of the Treasury will be required to obtain an IRS Private Letter Ruling before the Chair of the TCRS can approve local government participation in the state's deferred compensation program. Any associated increase to state expenditures is considered to be not significant.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

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

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James W. White, Executive Director

/rnc