

**FISCAL NOTE**  
**Requested by Legislative Council**  
**01/12/2019**

Bill/Resolution No.: SB 2227

- 1 A. **State fiscal effect:** *Identify the state fiscal effect and the fiscal effect on agency appropriations compared to funding levels and appropriations anticipated under current law.*

	2017-2019 Biennium		2019-2021 Biennium		2021-2023 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
<b>Revenues</b>	\$0	\$0	\$0	\$0	\$0	\$0
<b>Expenditures</b>	\$0	\$0	\$3,907,740	\$270,114,208	\$5,210,320	\$6,818,944
<b>Appropriations</b>	\$0	\$0	\$3,907,740	\$270,114,208	\$5,210,320	\$6,818,944

- 1 B. **County, city, school district and township fiscal effect:** *Identify the fiscal effect on the appropriate political subdivision.*

	2017-2019 Biennium	2019-2021 Biennium	2021-2023 Biennium
<b>Counties</b>	\$0	\$2,785,525	\$3,714,034
<b>Cities</b>	\$0	\$1,695,514	\$2,260,685
<b>School Districts</b>	\$0	\$3,277,272	\$4,369,697
<b>Townships</b>	\$0	\$0	\$0

- 2 A. **Bill and fiscal impact summary:** *Provide a brief summary of the measure, including description of the provisions having fiscal impact (limited to 300 characters).*

The bill increases employee & employer retirement contributions by 1%; reduces the benefit multiplier and directs Retiree Health Insurance Credit contributions to the retirement plan for new employees; and transfers \$265M from the strategic investment and improvements fund to the retirement fund.

- B. **Fiscal impact sections:** *Identify and provide a brief description of the sections of the measure which have fiscal impact. Include any assumptions and comments relevant to the analysis.*

Employer contributions would increase by 1% of payroll beginning January 2020.  
 The office of management and budget shall transfer the sum of \$265,000,000 from the strategic investment and improvements fund to the public employees retirement fund during the biennium beginning July 1, 2019.

3. **State fiscal effect detail:** *For information shown under state fiscal effect in 1A, please:*

- A. **Revenues:** *Explain the revenue amounts. Provide detail, when appropriate, for each revenue type and fund affected and any amounts included in the executive budget.*

N/A

- B. **Expenditures:** *Explain the expenditure amounts. Provide detail, when appropriate, for each agency, line item, and fund affected and the number of FTE positions affected.*

Employer contributions would increase by 1% of payroll beginning January 2020.  
 The office of management and budget shall transfer the sum of \$265,000,000 from the strategic investment and improvements fund to the public employees retirement fund during the biennium beginning July 1, 2019.

- C. **Appropriations:** *Explain the appropriation amounts. Provide detail, when appropriate, for each agency and fund affected. Explain the relationship between the amounts shown for expenditures and appropriations. Indicate whether the appropriation or a part of the appropriation is included in the executive budget or relates to a continuing appropriation.*

Employer contributions would increase by 1% of payroll beginning January 2020.

The office of management and budget shall transfer the sum of \$265,000,000 from the strategic investment and improvements fund to the public employees retirement fund during the biennium beginning July 1, 2019.

Appropriations for the 1% employer contribution increase and the \$265 million transfer were included in the executive budget.

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