

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 3973-02
Bill No.: SB 755
Subject: Boards, Commissions, Committees, and Councils; Elementary and Secondary Education; Retirement - Schools; Salaries; Teachers
Type: Original
Date: February 24, 2020

Bill Summary: This proposal Exempts information pertaining to the salaries and benefits of certain members of the Board of the Public School Retirement System (PSRS) from confidentiality.

FISCAL SUMMARY

| ESTIMATED NET EFFECT ON GENERAL REVENUE FUND | | | |
|--|------------|------------|------------|
| FUND AFFECTED | FY 2021 | FY 2022 | FY 2023 |
| | | | |
| Total Estimated Net Effect on General Revenue | \$0 | \$0 | \$0 |

| ESTIMATED NET EFFECT ON OTHER STATE FUNDS | | | |
|---|------------|------------|------------|
| FUND AFFECTED | FY 2021 | FY 2022 | FY 2023 |
| | | | |
| Total Estimated Net Effect on <u>Other</u> State Funds | \$0 | \$0 | \$0 |

Numbers within parentheses: () indicate costs or losses.
This fiscal note contains 4 pages.

| ESTIMATED NET EFFECT ON FEDERAL FUNDS | | | |
|---|----------------|----------------|----------------|
| FUND AFFECTED | FY 2021 | FY 2022 | FY 2023 |
| | | | |
| | | | |
| Total Estimated Net Effect on <u>All</u> Federal Funds | \$0 | \$0 | \$0 |

| ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE) | | | |
|---|----------------|----------------|----------------|
| FUND AFFECTED | FY 2021 | FY 2022 | FY 2023 |
| | | | |
| | | | |
| Total Estimated Net Effect on FTE | 0 | 0 | 0 |

Estimated Net Effect (expenditures or reduced revenues) expected to exceed \$100,000 in any of the three fiscal years after implementation of the act.

| ESTIMATED NET EFFECT ON LOCAL FUNDS | | | |
|--|----------------|----------------|----------------|
| FUND AFFECTED | FY 2021 | FY 2022 | FY 2023 |
| Local Government | \$0 | \$0 | \$0 |

FISCAL ANALYSIS

ASSUMPTION

Officials from **Joint Committee on Public Employee Retirement (JCPER)** assume this proposal has no fiscal impact to the JCPER. This proposal will not affect retirement plan benefits as defined in Section 105.660, RSMo.

Current Status of the Public School Retirement System:

As of December 19, 2019

| | | Funded Ratio |
|----------------------------|------------------|--------------|
| Market Value of Assets: | \$40,593,758,865 | 84.6% |
| Actuarial Value of Assets: | \$40,498,478,562 | 84.4% |
| Liabilities: | \$47,973,829,236 | |

Covered Payroll, June 30, 2019: \$4,844,248,703

Recommended Contribution for FY 2020: 29% - Employers and employees contribute in equal amounts of 14.5%.

| | <u>Percent</u> | <u>Dollars (Estimated)</u> |
|----------|----------------|--------------------------------|
| Employer | 14.5% | \$702,416,062 estimated |
| Employee | <u>14.5%</u> | <u>\$702,416,062 estimated</u> |
| Total | 29.0% | \$1,404,832,124 estimated |

Officials from **Public Schools and Education Employee Retirement Systems (PSRS/PEERS)** assume this legislation exempts the salaries and benefits of the executive director and employees of the Board of the Public School Retirement System of Missouri from being confidential. As currently drafted this bill has no substantial fiscal or operational impact on PSRS or PEERS of Missouri.

Oversight notes that the JCPER and PSRS/PEERS have stated the proposal would not have a direct fiscal impact on their organizations. Oversight does not have any information to the contrary. Therefore, Oversight will reflect a zero impact on the fiscal note.

| <u>FISCAL IMPACT - State Government</u> | FY 2021 (10 Mo.) | FY 2022 | FY 2023 |
|---|---------------------|-------------------|-------------------|
| | <u>\$0</u> | <u>\$0</u> | <u>\$0</u> |

FISCAL IMPACT - Local Government

FY 2021
(10 Mo.)

FY 2022

FY 2023

\$0

\$0

\$0

FISCAL IMPACT - Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

FISCAL DESCRIPTION

The proposed legislation appears to have no direct fiscal impact.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Joint Committee on Public Employee Retirement
Public Schools and Education Employee Retirement Systems



Julie Morff
Director
February 24, 2020

Ross Strobe
Assistant Director
February 24, 2020