

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 2729S.01I
 Bill No.: SB 719
 Subject: Attorney General; Auditor, State; County Officials; Ethics; General Assembly;
 Governor and Lieutenant Governor; Judges; Public Officers; Retirement - Local
 Government; Retirement - State; Retirement Systems and Benefits - General; State
 Employees
 Type: Original
 Date: April 10, 2023

Bill Summary: This proposal provides that certain public officers removed from office shall not be entitled to public retirement benefits.

FISCAL SUMMARY

| ESTIMATED NET EFFECT ON GENERAL REVENUE FUND | | | |
|--|------------|------------|------------|
| FUND AFFECTED | FY 2024 | FY 2025 | FY 2026 |
| Total Estimated Net Effect on General Revenue | \$0 | \$0 | \$0 |

| ESTIMATED NET EFFECT ON OTHER STATE FUNDS | | | |
|---|------------|------------|------------|
| FUND AFFECTED | FY 2024 | FY 2025 | FY 2026 |
| Total Estimated Net Effect on <u>Other State Funds</u> | \$0 | \$0 | \$0 |

Numbers within parentheses: () indicate costs or losses.

| ESTIMATED NET EFFECT ON FEDERAL FUNDS | | | |
|---|----------------|----------------|----------------|
| FUND AFFECTED | FY 2024 | FY 2025 | FY 2026 |
| | | | |
| | | | |
| Total Estimated Net Effect on <u>All</u> Federal Funds | \$0 | \$0 | \$0 |

| ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE) | | | |
|---|----------------|----------------|----------------|
| FUND AFFECTED | FY 2024 | FY 2025 | FY 2026 |
| | | | |
| | | | |
| Total Estimated Net Effect on FTE | 0 | 0 | 0 |

- Estimated Net Effect (expenditures or reduced revenues) expected to exceed \$250,000 in any of the three fiscal years after implementation of the act or at full implementation of the act.
- Estimated Net Effect (savings or increased revenues) expected to exceed \$250,000 in any of the three fiscal years after implementation of the act or at full implementation of the act.

| ESTIMATED NET EFFECT ON LOCAL FUNDS | | | |
|--|----------------|----------------|----------------|
| FUND AFFECTED | FY 2024 | FY 2025 | FY 2026 |
| Local Government | \$0 | \$0 | \$0 |

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Joint Committee on Public Employee Retirement (JCPER)** state this proposal has no fiscal impact to the Joint Committee on Public Employee Retirement.

The JCPER's review of this proposal indicates that its provisions may constitute a "substantial proposed change" in future plan benefits as defined in section 105.660(10). It is impossible to accurately determine the fiscal impact of this legislation without an actuarial cost statement prepared in accordance with section 105.665.

Pursuant to section 105.670, an actuarial cost statement must be filed with the Chief Clerk of the House of Representatives, the Secretary of the Senate, and the Joint Committee on Public Employee Retirement as public information for at least five legislative days prior to final passage.

Officials from the **Missouri State Employee's Retirement System, University of Missouri System, Kansas City Employees' Retirement System, Kansas City Firefighter's Pension System, Kansas City Police Retirement System, Kansas City Public School Retirement System, Kansas City Supplemental Retirement Plan, Local Government Employees Retirement System, County Employee Retirement Fund, Public Schools and Education Employee Retirement Systems** and the **Metro St. Louis Sewer District Employees Pension Plan** each assume the proposal will have no fiscal impact on their respective organizations.

Officials from **MoDOT & Patrol Employees' Retirement System (MPERS)** state, if enacted, the proposed bill would disallow an employee or public official who is removed from office, from receiving a retirement benefit. Section 105.669 already provides for the forfeiture of a retirement benefit in the event an employee commits certain crimes in the course of employment, and this amendment would expand on those offenses. The expected fiscal impact of a pension forfeiture of this type would be negligible at most.

Officials from the **Sheriffs' Retirement System** state this legislation would have an unknown impact to their retirement system. There is no way to determine if or which Sheriff could be removed from office and removed from their system; therefore the impact is unknown.

Oversight assumes the impact to the retirement systems would be immaterial. Therefore, Oversight will reflect a zero impact in the fiscal note for the employer members

| <u>FISCAL IMPACT – State Government</u> | FY 2024 (10 Mo.) | FY 2025 | FY 2026 |
|---|---------------------|------------|------------|
| | | | |
| | <u>\$0</u> | <u>\$0</u> | <u>\$0</u> |
| | | | |

| <u>FISCAL IMPACT – Local Government</u> | FY 2024 (10 Mo.) | FY 2025 | FY 2026 |
|---|---------------------|------------|------------|
| | | | |
| | <u>\$0</u> | <u>\$0</u> | <u>\$0</u> |
| | | | |

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
- Missouri State Employee's Retirement System
- MoDOT & Patrol Employees' Retirement System
- University of Missouri System
- Kansas City Employees' Retirement System
- Kansas City Firefighter's Pension System
- Kansas City Police Retirement System
- Kansas City Public School Retirement System
- Kansas City Supplemental Retirement Plan
- County Employee Retirement Fund
- Public Schools and Education Employee Retirement Systems

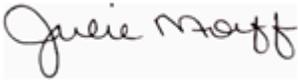
L.R. No. 2729S.01I

Bill No. SB 719

Page 5 of 5

April 10, 2023

Local Government Employees Retirement System
Metro St. Louis Sewer District Employees Pension Plan
Sheriffs' Retirement System



Julie Morff
Director
April 10, 2023



Ross Strobe
Assistant Director
April 10, 2023