

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. NO.: 2997-01
BILL NO.: SB 642
SUBJECT: Judicial Retirement
TYPE: Original
DATE: January 13, 2000

FISCAL SUMMARY

ESTIMATED NET EFFECT ON STATE FUNDS			
FUND AFFECTED	FY 2001	FY 2002	FY 2003
General Revenue	(\$190,738)	(\$228,885)	(\$228,885)
Total Estimated Net Effect on <u>All</u> State Funds	(\$190,738)	(\$228,885)	(\$228,885)

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2001	FY 2002	FY 2003
None	\$0	\$0	\$0
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2001	FY 2002	FY 2003
Local Government	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.

This fiscal note contains 3 pages.

FISCAL ANALYSIS

ASSUMPTION

Officials of the **Joint Committee on Public Employee Retirement** have reviewed this proposal and have determined that it represents a “substantial proposed change” in future plan benefits as defined in section 105.660(5), RSMo. Therefore, an actuarial cost statement must be provided prior to final action on this legislation by either legislative body or committee thereof.

Officials of the **Office of Administration** assume any fiscal impact would be determined by the Missouri State Employees’ Retirement System.

Officials of the **Missouri State Employees’ Retirement System (MOSERS)** assume the proposal would allow a retired judge to receive additional cost-of-living adjustments (COLAs) based upon the difference between the judge’s current benefit amount and the amount the judge would have received had the retired judge been eligible to accrue COLAs from the earliest date of retirement eligibility. An actuarial analysis indicates the proposal would require an increase in the state’s contribution rate for the judicial retirement plan from 55.30% to 55.97% of covered payroll. Based on the valuation payroll of \$34,162,013 as of June 30, 1999, the increase in the total annual contribution would be approximately \$228,885. There are no retroactive payments included in this cost.

	FY 2001	FY 2002	FY 2003
<u>FISCAL IMPACT - State Government</u>	(10 Mo.)		

GENERAL REVENUE

<u>Costs - contributions to MOSERS</u>	<u>(\$190,738)</u>	<u>(\$228,885)</u>	<u>(\$228,885)</u>
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	FY 2001	FY 2002	FY 2003
<u>FISCAL IMPACT - Local Government</u>	(10 Mo.)		
	\$0	\$0	\$0

FISCAL IMPACT - Small Business

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

DESCRIPTION

PLH:LR:OD:005 (9-94)

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The proposal would allow a judge who retired prior to August 28, 1995 to receive additional cost-of-living adjustments (COLAs) based upon the difference between the judge's current benefit amount and the amount the judge would have received had the retired judge been eligible to accrue COLAs from the earliest date of retirement eligibility.

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
Office of Administration
Missouri State Employees' Retirement System



Jeanne Jarrett, CPA
Director
January 13, 2000