

FISCAL NOTE
LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)				
	FY 2013-14		FY 2014-15	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS				
CASH FUNDS	9,803			
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	9,803			

Any Fiscal Notes received from state agencies and political subdivisions are attached following the Legislative Fiscal Analyst Estimate.

LB306 amends the Judges' Retirement Plan as follows.

1. Changes the amortization method of the unfunded liability from level dollar to level percent of pay.
2. The July 1, 2014 sunset is eliminated for the additional 1% member contribution rate.

An actuarial analysis is required to determine the fiscal impact.

The Nebraska Public Employees Retirement System (NPERS) has estimated the one-time cost of implementation to be as follows.

1. \$5,000 Cash Funds for an actuarial analysis.
2. \$4,803 Cash Funds for IT programming requirements.

ADMINISTRATIVE SERVICES-STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSES			
LB: 306	AM:	AGENCY/POLT. SUB: NPERS	
REVIEWED BY: Gary Bush		DATE: January 25, 2013	PHONE: 471-4161
COMMENTS: Agency's estimate of impact appears to be reasonable.			

Please complete ALL (5) blanks in the first three lines.

2013

LB⁽¹⁾ 306 FISCAL NOTE

State Agency OR Political Subdivision Name: ⁽²⁾ NPERS

Prepared by: ⁽³⁾ Randy Gerke Date Prepared: ⁽⁴⁾ 1/25/2013 Phone: ⁽⁵⁾ 402 471-9495

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	<u>FY 2013-14</u>		<u>FY 2014-15</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS	_____	_____	_____	_____
CASH FUNDS	\$9,803	_____	_____	_____
FEDERAL FUNDS	_____	_____	_____	_____
OTHER FUNDS	_____	_____	_____	_____
TOTAL FUNDS	<u>\$9,803</u>	_____	_____	_____

Return by date specified or 72 hours prior to public hearing, whichever is earlier.

Explanation of Estimate:

LB306 amends the Judges Plan by changing the amortization of the unfunded liability from a level dollar to a lever percentage of pay. It also eliminates the sunset on the additional 1% member contribution rate scheduled for July 1, 2014. This will require an actuarial study to determine the fiscal impact of this legislation. The Actuary estimates the cost for this study to be \$5,000.

NPERS also estimates that it would take 63 hours of IT programming (defining, coding and testing) to make these changes. We have used the OCIO rate of \$76.25. The total amount for programming would be \$4,803.

Both of these operating costs are one-time costs for implementing this bill.

MAJOR OBJECTS OF EXPENDITURE

Personal Services:

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2013-14 EXPENDITURES</u>	<u>2014-15 EXPENDITURES</u>
	<u>13-14</u>	<u>14-15</u>		
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Benefits.....	_____	_____	_____	_____
Operating.....	_____	_____	\$9,803	_____
Travel.....	_____	_____	_____	_____
Capital outlay.....	_____	_____	_____	_____
Aid.....	_____	_____	_____	_____
Capital improvements.....	_____	_____	_____	_____
TOTAL.....	_____	_____	\$9,803	_____