

amendments. Section 2 raises the benefits of all retired State Patrol officers and their spouses to the poverty level. This amendment is necessary to more clearly define the family unit. This amendment would also require those who qualify for this benefit to file an annual report to the State Retirement Office. The report will verify the size of the family unit. This was suggested to us by the PERB board and I would ask for the adoption of the amendment.

SPEAKER BARRETT: Discussion? Senator Warner. Thank you. Senator Nelson, on the amendment to the amendment. Thank you. Any discussion? Any questions on the Haberman amendment to the committee amendment? Seeing none, those in favor of its adoption vote aye, opposed nay. Record.

CLERK: 21 ayes, 0 nays, Mr. President, on adoption of Senator Haberman's amendment to the committee amendments.

SPEAKER BARRETT: The amendment to the amendment is adopted. Back to the committee amendments, Senator Warner, do you care to discuss?

SENATOR WARNER: Mr. President and members of the Legislature, I'm not exactly sure how to address the issue because, as Senator Haberman pointed out, the bill could be enacted without funding by further depletion of the reserve that is in there now and that is accurate. The problem is that that reserve fluctuates, depending upon earnings. If you looked at this bill all by itself without and disregard the reserve, why it would take about \$137,000 General Fund annually to fund the unfunded liability. And the issue, as is always true of retirement bills, it's the long term count. Now it's also accurate to say that, yes, it could be funded without any additional General Fund at this point and if earnings though are something less than the actuary reports are showing on the current system, why then we could...the only really net effect is that we're going to have to start a General Fund appropriation sooner at some later date than we would have to without this bill. Now the reason that comes about is that the contribution rates of, remember in the state, have been running 16 percent of what is paid out. Last year we paid seven...or through June 30, '88, paid out 17.3 percent. It's been running from 18.7 down to 17.3 over the last four years while we were putting in 16. It was only a very few years ago, last in 1984, when the defi...when the surplus had a deficit and then an annual appropriation of in