



Legislative Council Staff
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**Fiscal Note
Memorandum**

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January 31, 2020

TO: Representatives Garnett and Bird

FROM: Louis Pino, Committee, Senior Economist
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SUBJECT: Fiscal Assessment of Proposed Amendment HB1044_L.001

This memorandum is an assessment of the fiscal impact of the attached proposed Amendment L.001 to House Bill 20-1044. This fiscal assessment is for the impact of the bill with inclusion of this amendment only. Any other added amendment could influence the fiscal impact.

Summary of Proposed Amendment

Amendment L.001 removes the requirement that the General Assembly make a lump-sum payment to the Statewide Death and Disability plan to fund the unfunded liabilities for members hired before January 1, 1997. The amendment also includes a starting date of January 1, 2021 for when members of the Statewide Defined Benefit Plan can retire with unreduced retirement benefits if they are at least 50 years old and have a combined age and years of service equal to 80 years.

Fiscal Impact of Amendment

Amendment L.001 removes the \$58.0 million state General Fund expenditure in FY 2020-21 in the introduced version of HB 20-1044. Beginning on January 1, 2021, expenditures for local governments with eligible members that can retire with unreduced benefits will increase.

Bill's Revised Fiscal Impact with Amendment

With Amendment L.001, HB 20-1044 will impact local governments only. Beginning January 1, 2021, local governments participating in the Statewide Death and Disability and Statewide Defined Benefit plans will have expenditure increases to cover the employer contribution rate increases under HB 20-1044.

HB1044_L.001

HOUSE COMMITTEE OF REFERENCE AMENDMENT

Committee on Finance.

HB20-1044 be amended as follows:

- 1 Amend printed bill, page 11, line 19, strike "ANY" and substitute
- 2 "BEGINNING JANUARY 1, 2021, ANY".

- 3 Page 22, strike line 1 and substitute "(2) and (4); and **repeal** (3) as
- 4 follows:".

- 5 Page 24, strike lines 26 and 27.

- 6 Page 25, strike lines 1 through 6.

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