

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

301 State House
(317) 232-9855

FISCAL IMPACT STATEMENT

LS 6171

BILL NUMBER: HB 1279

DATE PREPARED: Nov 7, 1998

BILL AMENDED:

SUBJECT: State distributions for teachers' retirement fund pension relief.

FISCAL ANALYST: James Sperlik

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FUNDS AFFECTED: **GENERAL**
 DEDICATED
 FEDERAL

IMPACT: State

Summary of Legislation: This bill transfers, from the State General Fund to the TRF Pension Stabilization Fund, one-half of the amount by which actual revenues for the State General Fund and the Property Tax Replacement Fund in a state fiscal year exceed the revenues forecasted for that state fiscal year.

Effective Date: July 1, 1999.

Explanation of State Expenditures: The specific impact will depend upon the amount actual revenue exceeds forecasted revenues in a state fiscal year. The funds affected are the **State General Fund**, the **Pension Stabilization Fund**, and the **Property Tax Replacement Fund**. For example, forecasted revenue for fiscal year 98 was \$8,124.5 billion. Actual revenue for fiscal year 98 amounted to \$8,421.4 billion. Had this bill been in effect for fiscal year 98, the amount transferred to the Pension Stabilization Fund would have totaled \$148.45 million, or one half of the total of \$296.9 million. One-time infusion of additional funds will lower the State General Fund payouts for the Teachers' Retirement Fund over time.

Explanation of State Revenues:

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected: Teachers' Retirement Fund.

Local Agencies Affected:

Information Sources: The State Budget Agency.