

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

301 State House  
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**FISCAL IMPACT STATEMENT**

**LS 6226**  
**BILL NUMBER: SB 8**

**DATE PREPARED:** Nov 7, 1998  
**BILL AMENDED:**

**SUBJECT:** TRF service credit.

**FISCAL ANALYST:** James Sperlik  
**PHONE NUMBER:** 232-9866

**FUNDS AFFECTED:**  **GENERAL**  
**DEDICATED**  
**FEDERAL**

**IMPACT:** State & Local

**Summary of Legislation:** This bill provides service credit for members of the Indiana State Teachers' Retirement Fund (TRF) who retire after June 30, 1999, and served in the Peace Corps or National Guard during or after completing a postsecondary teacher training program.

**Effective Date:** July 1, 1999.

**Explanation of State Expenditures:** Specific data on the number of teachers who have served in the Peace Corps are not available. Based on national data, it is assumed that **50** TRF members would have Peace Corps service. The increase in annual payout for the first year is estimated to be about **\$2,000**. The increase in unfunded accrued liabilities is estimated to be **\$231,000**. The fund affected is the state **General Fund**.

Specific data on the number of teachers who served in the National Guard are also not available. The TRF is in the process of conducting a survey to determine the number of teachers who have military service and the amount of such service. The specific impact will depend upon the number of persons affected, their age and TRF service characteristics and the actual number of years of service granted. This part of the fiscal note will be updated upon receipt of the results of the above-mentioned survey.

**Explanation of State Revenues:**

**Explanation of Local Expenditures:** For the 1996 Plan, there may be an increase in the percentage of payroll required to fund the Plan. Currently, the percentage of payroll required by employing units is 8.5%. Again, the specific impact will depend upon the number of persons affected, their age and TRF service characteristics and the actual number of years of service granted. This fiscal note will be updated upon receipt of the results of the above-mentioned TRF survey.

**Explanation of Local Revenues:**

**State Agencies Affected:** Teachers' Retirement Fund.

**Local Agencies Affected:** School corporations.

**Information Sources:** Sandy Rodwan and Denise Jones of Gabriel Roeder Smith & Co. actuaries for TRF, 1-800-521-0498.