

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

301 State House
(317) 232-9855

FISCAL IMPACT STATEMENT

LS 7440

BILL NUMBER: HB 1485

DATE PREPARED: Jan 6, 2001

BILL AMENDED:

SUBJECT: Excise and Conservation Police Pensions.

FISCAL ANALYST: James Sperlik

PHONE NUMBER: 232-9866

FUNDS AFFECTED: **GENERAL**
 DEDICATED
FEDERAL

IMPACT: State

Summary of Legislation: This bill specifies that the minimum length of service and minimum age for Excise and Conservation Police to retire with unreduced benefits are 20 years of creditable service and 50 years of age for officers hired after June 30, 2001. It provides that officers hired before July 1, 2001, may make an irrevocable election between July 1, 2001, and December 31, 2001, to participate with the same service and age requirements and to receive the same benefits available to officers hired after June 30, 2001. The bill provides that for participants hired after June 30, 2001, and for participants who elect to receive the benefits available to officers hired after June 30, 2001, the annual retirement allowance is 50% of the participant's average annual salary, increased by an additional two percent (2%) of the participant's average annual salary for each completed year of creditable service over twenty (20) years. It establishes the maximum benefit as an amount equal to seventy-four percent (74%) of the participant's average annual salary.

Effective Date: July 1, 2001.

Explanation of State Expenditures: The table below shows the estimated impact of this proposal.

Estimated Increase in Unfunded Accrued Liability	\$12,400,000
Estimated Increase in Annual Funding	\$1,400,000
Increase in Annual Funding as a % of Payroll	12.4%

The funds affected are the Fish and Wildlife Fund and the State General Fund for the Conservation Officers and the Administrative Enforcement Fund for the Excise Police.

The estimated impact is based on the July 1, 1999, actuarial valuation.

Explanation of State Revenues:

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected: Law Enforcement Division of the Department of Natural Resources; Excise Police of the Alcoholic Beverage Commission.

Local Agencies Affected:

Information Sources: Doug Todd of McCready & Keene, actuaries for the Conservation Officers and Excise Police Retirement Fund, 576-1508.