

Kathy Tenopir February 10, 2011 471-0058

# LB 307

### Revision: 00 FISCAL NOTE LEGISLATIVE FISCAL ANALYST ESTIMATE

	ESTIMATE OF FIS	CAL IMPACT STAT	E AGENCIES *	
	FY 201	1-12	FY 20	12-13
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS				
CASH FUNDS	5,600			
FEDERAL FUNDS				
OTHER FUNDS		302,058		302,058
TOTAL FUNDS	5,600	302,058		302,058

\*Does not include any impact on political subdivisions. See narrative for political subdivision estimates.

LB307 amends the Nebraska State Patrol Retirement Act as it pertains to the Deferred Retirement Option Plan (DROP).

Current law provides that no member shall be allowed to continue making required contributions while enrolled in DROP. LB307 amends the language to require members to continue making required contributions while enrolled in DROP. As indicate by the Nebraska Public Employee Retirement System (NPERS) there are currently 25 members enrolled in DROP. Their collective salaries multiplied by the current 16% contribution rate are estimated to provide an additional \$302,058 in revenue per year for the State Patrol Plan.

NPERS also indicates a one-time programming cost of \$5,600.

DEPARTMENT OF ADMINISTRATIVE SERVICES					
	REVIEWED BY	Gary Bush	DATE 1/21/11	PHONE 471-2526	
COMMENTS					
NEBRASKA EMPLOYEE RETIREMENT SYSTEM: Agency's estimate appears to be reasonable.					

### Date: 1/21/2011

## FISCAL NOTE LEGISLATIVE LB307 Nebraska Employee Retirement System

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Prepared By Gerke, Randy Date Prepared 1/18/2011 Prepared Phone 402-471-9495

### Estimate Provided By State Agency or Political Subdivision

	FY 2011-2	FY 2011-2012		FY 2012-2013	
	Expenditures	Revenue	Expenditures	Revenue	
General Funds					
Cash Funds	5,600				
Federal Funds					
Other Funds					
Total Funds	5,600				

#### **Explanation of Estimate:**

This LB would result in a one time increase in NPERS operating expenses. There would be programming changes necessary to the Retirement software. The programming charges are estimated to be \$5,600.

There are currently 25 patrol members in DROP. The total of their last reported monthly salaries were \$157,321.90. This multiplied by the current contribution rate of 16% results in an additional \$25,171.50 per month of contributions (\$302,058.05 annually) into the Patrol Retirement Plan were the provisions of this bill to be adopted.

#### Major Objects of Expenditure

	Number of Positions		FY 2011-2012	FY 2012-2013
Position Title	FY 2011-2012	FY 2012-2013	Expenditures	Expenditures
		Benefits		
		Operating	5,600	
		Travel		
		Capital outlay		
		Aid		
		Capital improvements		
		Total	5,600	