

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. NO.: 3713-01
BILL NO.: SB 821 with SCA 1
SUBJECT: Retirement Benefits
TYPE: Original
DATE: February 15, 2000

FISCAL SUMMARY

| ESTIMATED NET EFFECT ON STATE FUNDS | | | |
|---|------------|------------|------------|
| FUND AFFECTED | FY 2001 | FY 2002 | FY 2003 |
| None | \$0 | \$0 | \$0 |
| | | | |
| Total Estimated Net Effect on <u>All</u> State Funds | \$0 | \$0 | \$0 |

| ESTIMATED NET EFFECT ON FEDERAL FUNDS | | | |
|---|------------|------------|------------|
| FUND AFFECTED | FY 2001 | FY 2002 | FY 2003 |
| None | \$0 | \$0 | \$0 |
| | | | |
| Total Estimated Net Effect on <u>All</u> Federal Funds | \$0 | \$0 | \$0 |

| ESTIMATED NET EFFECT ON LOCAL FUNDS | | | |
|--|---------|---------|---------|
| FUND AFFECTED | FY 2001 | FY 2002 | FY 2003 |
| Local Government | \$0 | \$0 | \$0 |

Numbers within parentheses: () indicate costs or losses.
This fiscal note contains 3 pages.

FISCAL ANALYSIS

ASSUMPTION

Officials of the **Joint Committee on Public Employee Retirement** have reviewed this proposal and have determined that it does not represent a “substantial proposed change” in future plan benefits as defined in section 105.660(5), RSMo. Therefore, an actuarial cost statement is not required.

Officials of the **County Employees’ Retirement Fund (CERF)** and the **Office of Administration** assume the proposal would have no fiscal impact.

In response to the original proposal, officials of the **Department of Social Services-Division of Child Support Enforcement (DCSE)** assumed prohibiting garnishments and other attachments of any nature against benefits under the County Employees’ Retirement Fund would violate federal mandates that require states to have the ability to issue income withholding orders against retirement benefits. **Oversight** assumes the amendment to the proposal would eliminate the potential violation of federal law, and consequently no fiscal impact to federal funds is reflected in this fiscal note.

| | FY 2001 (10 Mo.) | FY 2002 | FY 2003 |
|--|---------------------|---------|---------|
| <u>FISCAL IMPACT - State Government</u> | | | |
| | \$0 | \$0 | \$0 |

| | FY 2001 (10 Mo.) | FY 2002 | FY 2003 |
|--|---------------------|---------|---------|
| <u>FISCAL IMPACT - Local Government</u> | | | |
| | \$0 | \$0 | \$0 |

FISCAL IMPACT - Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

DESCRIPTION

The proposal would prohibit garnishments and other attachments against County Employees’ Retirement Fund benefits, except that once in pay status, benefits are subject to withholding for child support orders.

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DESCRIPTION (continued)

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Joint Committee on Public Employee Retirement
Office of Administration
County Employees' Retirement Fund
Department of Social Services - Division of Child Support Enforcement



Jeanne Jarrett, CPA
Director
February 15, 2000