

**Public Employees Retirement System
House Bill No. 1025**

	FTE Positions	General Fund	Other Funds	Total
2001-03 executive budget (Governor Schafer) (bill as introduced)	27.00	\$0	\$3,859,480	\$3,859,480
2001-03 legislative appropriations	27.00		3,859,480	3,859,480
Legislative increase (decrease) to executive budget	0.00	\$0	\$0	\$0
Legislative increase (decrease) to 1999-2001 appropriations	1.00	\$0	\$459,528	\$459,528
2001-03 Governor Hoeven's recommendation	27.00	\$0	\$3,859,480	\$3,859,480
Legislative increase (decrease) to Governor Hoeven's recommendation	0.00	\$0	\$0	\$0

GOVERNOR HOEVEN'S RECOMMENDATIONS

The Hoeven recommendation did not change the Schafer recommendation.

SUMMARY OF LEGISLATIVE CHANGES TO THE EXECUTIVE BUDGET (SCHAFER) AND MAJOR FUNDING ITEMS

Salaries and Wages

The legislative action affecting the recommended appropriation for the Public Employees Retirement System is in accordance with legislative salary and fringe benefits guidelines as contained in House Bill No. 1015. In addition to the above appropriations, agencies may receive additional funding from the \$5 million appropriated in Section 1 of House Bill No. 1015 for special market equity adjustments for classified state employees whose salaries are the furthest from their respective salary range midpoints.

Major Items and FTE Changes

The Legislative Assembly did not change the recommended appropriation for the Public Employees Retirement System, including the addition of one FTE employee benefits programs specialist to conduct member education programs.

Related Legislation

Participation in defined contribution retirement plan - House Bill No. 1216 extends until December 14, 2001, the time period within which state employees eligible under current law to participate in the defined contribution plan may elect to do so. The agency has indicated the bill will require \$3,780 to implement--\$3,000 to calculate account balances to be transferred to the defined contribution plan and \$780 for meeting expenses.

Public Employees Retirement System benefits multiplier - Senate Bill No. 2082 increases the Public Employees Retirement System defined benefits plan benefits multiplier from 1.89 to 2.00 percent and provides a postretirement benefit increase for retired members.

Judges' retirement system benefits - Senate Bill No. 2083 provides a postretirement benefit increase for retired members of the judges' retirement system.

Highway Patrolmen's retirement system benefits - Senate Bill No. 2084 provides a postretirement benefit increase for retired members of the Highway Patrolmen's retirement system and increases the benefits multiplier from 3.40 to 3.60 percent.