

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 3797-01
Bill No.: HB 1466
Subject: Law Enforcement Officers and Agencies; Retirement - Local Government
Type: Original
Date: February 14, 2006

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2007	FY 2008	FY 2009
Total Estimated Net Effect on General Revenue Fund	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2007	FY 2008	FY 2009
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.
This fiscal note contains 4 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2007	FY 2008	FY 2009
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2007	FY 2008	FY 2009
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

The **Joint Committee on Public Employee Retirement (JCPER)** has reviewed this proposal and has determined an actuarial study is not needed under the provisions of section 105.660, subdivision (5).

Officials from the **Local Government Retirement System** and **Kansas City Police Retirement System** assume no fiscal impact to their agency.

Officials from the **St. Louis Police Retirement System**, **Columbia Police Department** and **St. Louis County Department of Police** did not respond.

<u>FISCAL IMPACT - State Government</u>	FY 2007 (10 Mo.)	FY 2008	FY 2009
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT - Local Government

FY 2007
(10 Mo.)

FY 2008

FY 2009

\$0

\$0

\$0

FISCAL IMPACT - Small Business

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

DESCRIPTION

This bill changes the laws regarding the distribution of benefits for the Police Retirement System of St. Louis. The bill:

- (1) Requires, beginning January 1, 2003, that required minimum distributions be made in accordance with the United States Treasury regulations under Section 401(a)(9) of the Internal Revenue Code of 1986, as amended;
- (2) Requires the member's entire interest to be distributed or begin to be distributed no later than the member's required beginning date of receiving benefits;
- (3) Specifies to whom and when distributions will be made if a member dies before distributions begin;
- (4) Requires that distributions for calendar years 2003, 2004, and 2005 will meet United States Treasury regulations if the payments satisfy Section 401(a)(9) of the Internal Revenue Code of 1986, as amended;
- (5) Allows a member, upon termination of employment and actual service retirement, to request payment of his or her mandatory contributions to the retirement system without interest. Currently, this payment is made automatically;
- (6) Prohibits the board of trustees from paying an eligible rollover distribution of \$5,000 or less to a member or retired member who has not attained age 62 unless the member consents in writing to receive the distribution in cash or to have the distribution directly rolled over in accordance with the provisions of this section; and

DESCRIPTION (continued)

(7) Requires that if any retroactive payment is made to a member or the member's beneficiary for any reason, a lump sum amount equal to the retroactive payments plus interest be paid.

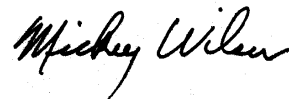
This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Joint Committee on Public Employee Retirement
Local Government Retirement System
Kansas City Police Retirement System

NOT RESPONDING

St. Louis Police Retirement
Columbia Police Department
St. Louis County Department of Police



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Director
February 14, 2006