

OFFICE OF FISCAL ANALYSIS

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sSB-440

AN ACT PROTECTING EMPLOYEE FREEDOM OF SPEECH AND
CONSCIENCE.

AMENDMENT

LCO No.: 9816

File Copy No.: 855

Senate Calendar No.: 451

OFA Fiscal Note

See Fiscal Note Details

The amendment strikes the underlying bill and its associated fiscal impact. The amendment results in a savings to the state from a reduction in the annual actuarial determined employer contribution (ADEC) for the State Employees' Retirement System (SERS) by modifying the SERS cost of living (COLA) formula for members who retire on or after July 1, 2027.

SERS benefits are currently governed by an agreement between the state and the State Employees' Bargaining Agent Coalition (SEBAC) until 2027. To the extent the provisions of the amendment are adopted, the impact will be reflected in the annual actuarial valuations completed for the plan which establishes the ADEC for each fiscal year. If the amendment is interpreted to preempt the 30 month COLA moratorium for individuals who currently retire on and after July 1, 2022, then the savings from the amendment will be offset by the cost of reducing the COLA delay from the current 30 months to 9 months.

A similar proposal resulted in a reduction in the SERS ADEC of between \$26 and \$38 million a year for the next 25 years, with savings reducing each year thereafter.

The preceding Fiscal Impact statement is prepared for the benefit of the members of the General Assembly, solely for the purposes of information, summarization and explanation and does not represent the intent of the

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