

REVENUE: No revenue impact
FISCAL: Fiscal statement issued

Action:	Do Pass as Amended and Be Printed Engrossed and Be Referred to the Committee on Ways and Means
Vote:	4 - 0 - 1
Yeas:	Monnes Anderson, Prozanski, Telfer, Rosenbaum
Nays:	0
Exc.:	George
Prepared By:	Jeremy Sarant, Administrator
Meeting Dates:	3/9, 4/20

WHAT THE MEASURE DOES: Permits an eligible member of the Public Employee Retirement System (PERS) who participates in governmental deferred compensation plan or tax sheltered annuity, to use pre-tax income to purchase forfeited creditable service or other available retirement credit in PERS. Permits trustee-to-trustee transfer of moneys from eligible retirement plan to PERS. Limits uses of transferred moneys. Becomes operative September 1, 2011.

ISSUES DISCUSSED:

- Qualifications of individuals eligible to participate
- Capacity of PERS to administer the program with existing technology

EFFECT OF COMMITTEE AMENDMENT: Removed time limitation on participation. Added tax sheltered annuity as source of moneys. Delayed operative date until September 1, 2011.

BACKGROUND: Many PERS participants have gaps in their service history from an initial probationary period or forfeited service times. Currently, eligible PERS members may fill gaps in their PERS service by paying into the system. SB 399 A would permit eligible members to do so with pre-tax dollars from deferred compensation or tax sheltered annuity.