

**SUBCOMMITTEE RECOMMENDATION**

**Public Employees Retirement System  
SB 1566 (2018) Status**

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On February 27th, the General Government Subcommittee recommended acknowledging receipt of a report from the Public Employees Retirement System on the status of SB 1566.

SB 1566 was enacted into law after the 2018 legislative session and contained several provisions to address the PERS Unfunded Accrued Liability.

The bill established an Employer Incentive Fund to be used for a 25% match program, established a School Districts Unfunded Liability Fund, and created an Unfunded Accrued Liability Resolution program to assist employers. The two funds are to be capitalized with one-time tax repatriations revenue.

The School Districts Unfunded Liability Fund is also to be funded with excess debt collection, capital gains, estate taxes, and interest on unclaimed property. The fund received a deposit of \$11.5 million from interest on unclaimed property. The PERS Board does not anticipate deploying these proceeds to reduce employer rates until the 2021-23 biennium.

PERS has proposed legislation this session to make several technical changes to current law related to SB 1566.

The General Government Subcommittee recommends approval.