

**JBC STAFF FISCAL ANALYSIS  
HOUSE APPROPRIATIONS COMMITTEE**

CONCERNING PAYMENTS TO THE STATEWIDE DEATH AND DISABILITY TRUST FUND TO PAY BENEFITS FOR FIRE AND POLICE PENSION ASSOCIATION MEMBERS HIRED BEFORE JANUARY 1, 1997.

Prime Sponsors: Reps. Taggart and Hamrick  
Sens. Hansen and Van Winkle

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Date Prepared: April 22, 2024

**Appropriation Items of Note**

**Appropriation Not Required, Amendment in Packet**

**General Fund Impact**

**Fiscal Impact of Bill as Amended to Date**

The most recent Legislative Council Staff Fiscal Note (attached) reflects the fiscal impact of the bill as of 01/10/24.

<b>XXX</b>	<b>No Change:</b> Attached LCS Fiscal Note accurately reflects the fiscal impact of the bill
	<b>Update:</b> Fiscal impact has changed due to <i>new information or technical issues</i>
	<b>Update:</b> Fiscal impact has changed due to <i>amendment adopted</i> after LCS Fiscal Note was prepared
	<b>Non-Concurrence:</b> JBC Staff and Legislative Council Staff disagree about the fiscal impact of the bill

**Amendments in This Packet for Consideration by Appropriations Committee**

<b>Amendment</b>	<b>Description</b>
L.002	Bill Sponsor amendment - changes fiscal impact but not appropriation

**Current Appropriations Clause in Bill**

The bill neither requires nor contains an appropriation clause for FY 2024-25.

**Description of Amendments in This Packet**

**L.002** Bill Sponsor amendment **L.002** (attached) reduces the required General Fund transfer to the Death and Disability Cash Fund and related warrants for the Fire and Police Pension Association from \$9,130,000 to \$2,050,000 each year beginning in FY 2024-25 through FY 2058-59.

**Points to Consider**

*General Fund Impact*

The Joint Budget Committee has proposed a budget package for FY 2024-25 based on the March 2024 Office of State Planning and Budgeting (OSPB) revenue forecast. The budget package includes \$63.1 million in set-asides for legislation outside of the package (see table below). The budget package accounts for the 15.0 percent reserve associated with the placeholders (a total of \$9.5 million).

General Fund Appropriation Placeholders for Other 2024 Legislation	
Description	FY 2024-25
General Legislative Priorities	\$21,739,130
Legislation for Shared Housing Priorities	12,043,478
Legislation for Shared Workforce and Education Priorities	16,152,110
Legislation for Other Shared Priorities	10,519,130
Legislation for Distributions to Rural Hospitals	2,608,689
<b>TOTAL Placeholders for Other 2024 Legislation</b>	<b>\$63,062,537</b>

This bill requires a General Fund transfer of \$9,130,000 to the Death and Disability Payment Cash Fund in FY 2024-25, reducing the \$63.1 million set aside in FY 2024-25 by the same amount. The bill authorizes the State Treasurer to issue warrants from the Death and Disability Payment Cash Fund in the same amount to the Fire and Police Pension Association (FPPA) for deposit into the FPPA's Statewide Death and Disability Trust Fund which does not require an appropriation. The bill requires a transfer of \$9.13 million each year from FY 2024-25 through FY 2026-27, reducing the amount of General Fund available for other purposes each year.

The bill as amended by **L.002** would reduce the required General Fund transfer to the Death and Disability Payment Cash Fund from \$9,130,000 to \$2,050,000 each year and would extend the annual transfer of General Funds to the cash fund through FY 2058-59. This would reduce the amount of General Fund available for other purposes by \$2,050,000 in FY 2024-25 and each subsequent year through FY 2058-59.