

2011 -- H 6309

=====
LC02986
=====

STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2011

A N A C T

RELATING TO GENERAL ASSEMBLY - ACTUARIAL COST

Introduced By: Representatives Melo, Valencia, Dickinson, Tarro, and Serpa

Date Introduced: June 29, 2011

Referred To: House Finance

It is enacted by the General Assembly as follows:

1 SECTION 1. Section 22-12.1-1 of the General Laws in Chapter 22-12.1 entitled
2 "Actuarial Cost" is hereby amended to read as follows:

3 **22-12.1-1. Actuarial cost required.** -- (a) Proposed legislation which directly impacts
4 the retirement system can potentially affect the benefits of all plan participants and beneficiaries.
5 Since it is in the best interests of plan participants and beneficiaries to determine the financial
6 consequences of any proposed legislation which would directly impact the state's liability to the
7 retirement system, no committee shall recommend passage of any bill or resolution having an
8 effect on contributions, benefits and retirement allowances of the retirement system pursuant to
9 the provisions of chapters 8 -- 10 of title 36, unless the bill or resolution shall be accompanied by
10 a statement which shall set forth the full actuarial costs or full actuarial value, as those terms are
11 defined in section 36-8-1.

12 (b) These statements or notes shall be known as "pension impact notes," and they shall
13 accompany each such bill or resolution prior to consideration of the house in which the bill or
14 resolution originated. The reasonable cost of preparing pension impact notes shall be charged as
15 an administrative expense and paid from the retirement system's restricted receipts account
16 established pursuant to section 36-8-10.1. Only the chair of the senate committee on finance with
17 the approval of the president of the senate can request a pension impact note on proposed
18 legislation that originates in the senate. Only the chair of the house committee on finance with the
19 approval of the speaker of the house can request a pension impact note on proposed legislation

1 that originates in the house. The governor can request a pension impact note on proposed
2 legislation recommended in the appropriation acts required by sections 35-3-7 or 35-3-8.

3 (c)(1) Notwithstanding the foregoing, the chair of the senate committee on finance and/or
4 the house committee on finance, with approval of the president of the senate or the speaker of the
5 house of representatives respectively, may request a pension impact note relating to any proposed
6 impact upon the state's liability to the retirement system regardless of the existence of related
7 proposed legislation.

8 (2) The reasonable cost of preparing pension impact notes which are not related to
9 existing proposed legislation shall be paid from the annual appropriation for the joint committee
10 on legislative services.

11 (d)(1) The director of the department of administration, with approval of the governor,
12 may request a pension impact note.

13 (2) The reasonable cost of preparing impact notes which are not related to existing
14 proposed legislation shall be paid from the annual appropriation for the department of
15 administration budget.

16 SECTION 2. This act shall take effect upon passage.

=====
LC02986
=====

EXPLANATION
BY THE LEGISLATIVE COUNCIL
OF
A N A C T
RELATING TO GENERAL ASSEMBLY - ACTUARIAL COST

- 1 This act would allow the chair of the senate finance committee and the house finance
2 committees, with written permission of the senate president or the speaker of the house of
3 representatives, respectively, to request pension impact notes regardless of the existence of
4 related pending legislation. The cost of pension impact notes which are not related for existing
5 proposed legislation would be paid through the joint committee on legislative services.
- 6 This act would take effect upon passage.

=====
LC02986
=====