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## FISCAL IMPACT REPORT

ORIGINAL DATE 2/23/09

SPONSOR J. Garcia LAST UPDATED \_\_\_\_\_ HB 879

SHORT TITLE PERA Special Hospital Districts SB \_\_\_\_\_

ANALYST Hoffmann

### APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Non-Rec	Fund Affected
FY09	FY10		
	See Narrative		

(Parenthesis ( ) Indicate Expenditure Decreases)

House Bill 879 is a duplicate of Senate Bill 657.

### SOURCES OF INFORMATION

LFC Files

Responses Received From  
Public Employees Retirement Association (PERA)

No Response  
Miner's Hospital (MH)  
Department of Health (DOH0)

### SUMMARY

#### Synopsis of Bill

Senate Bill 657 expands the definition of "public employer" to include special hospital districts for purposes of PERA affiliation.

### FISCAL IMPLICATIONS

House Bill 879 makes no appropriations.

The PERA states that House Bill 879 will have minimal fiscal impact on PERA.

**SIGNIFICANT ISSUES**

PERA notes that it will be necessary to determine whether special hospital districts fall within the meaning of "governmental plan" as used in Section 414(d) of the Internal Revenue Code.

**ADMINISTRATIVE IMPLICATIONS**

PERA will be required to process applications for affiliation by special hospital districts as it does for all entities seeking PERA-affiliation.

**DUPLICATION**

Senate Bill 657 and House Bill 879 are duplicates.

**OTHER SUBSTANTIVE ISSUES**

The PERA Act specifically provides that only "public employers" can affiliate with PERA so long as they fall within the meaning of "governmental plan" as used in Section 414(d) of the Internal Revenue Code. The Internal Revenue Code requires that to qualify as a "governmental plan," a plan must be "established and maintained for its employees by the Government of the United States, by the government of any State or political subdivision thereof, or by any agency or instrumentality of the foregoing."

CH/mt