

Fiscal Note 2027 Biennium

Bill#/Title:	HB0640. employe	01: Revising mem es	bersh	ip in FURS	to incl	ude airp	oort authorit	y public safet	
Primary Sponsor:	Mark Thane			Stat	Status:		As Introduced		
Retirement Systems	Affected	□ Teachers	🗆 Pul	olic Employees		🗆 Highv	way Patrol	Police	
□ Sheriffs		⊠ Firefighters	□Vo	lunteer Firefight	ers	□ Game	Wardens 🛛	Judges	
Has the cost of this	legislation	wed by the legislative been calculated by th ill funding for any be	e syste	m's actuary?			No No		
Public Employees	s Retirem	ent Board							
				July 1, 2 Current S			1, 2024 Changes	Increase/ (Decrease)	
Firefighters Present Value of A Present Value of A Unfunded Actuaria Amortization Perio Change in normal Pension Contribu	Actuarial A al Accrued od (years) o costs	ssets Liability (UAAL) of UAAL		\$716,6 \$128,1	48,032 71,562 76,470 8.00 31.70%	\$7 \$1	44,848,032 16,671,562 28,176,470 8.00 31.70%	\$ \$ 0.0 0.009	
	tion Rate	FY 2025 July 1, 20		FY 2026 July 1, 2025		2027 1, 2026	FY 2028 July 1, 2027	FY 2029 July 1, 2028	
Firefighters									
Employee Contribu Employer Contribu State Contribution	tion Rate	10.7 14.3 32.6 57.6	6% 1%	10.70% 14.36% 32.61% 57.67%		10.70% 14.36% 32.61% 57.67%	10.70% 14.36% 32.61% 57.67%	14.36%	

FISCAL SUMMARY

	FY 2026	FY 2027	FY 2028	FY 2029
	<u>Difference</u>	<u>Difference</u>	<u>Difference</u>	Difference
Expenditures General Fund (01)	\$365,237	\$377,107	\$389,363	\$402,017

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Other	\$0	\$0	\$0	\$0
Revenues				
General Fund (01)	\$0	\$0	\$0	\$0
Other	\$0	\$0	\$0	\$0
Pension Trust Fund	\$365,237	\$377,107	\$389,363	\$402,017
Net Impact General Fund Balance	(\$365,237)	(\$377,107)	(\$389,363)	(\$402,017)

Description of fiscal impact

HB 640 revises participation in the Firefighters' Retirement System to include airport authority public safety employees.

FISCAL ANALYSIS

Assumptions

Public Employees Retirement Board

- 1. HB 640 adds a "Public safety officer" definition under 19-13-104, MCA, as "a person employed both as a full-paid firefighter and a sworn peace officer position by an airport authority employer."
- 2. Under 19-13-604, MCA the state shall make contributions from the general fund each fiscal year to the Firefighters Retirement System (FURS) in the amount of 32.61% of compensation paid to members.
- 3. Based on the most recent FURS valuation dated 6/30/2024 the average annual salary was \$86,155.
- 4. State contribution of 32.61% of covered payroll would be a cost of \$28,095 per new member (\$86,155*32.61%=\$28,095).
- 5. Assumptions anticipate only 13 new members would participate. Should more members join the impact to the general fund would increase.
- 6. Payroll is assumed to grow by 3.25% each year.
- 7. If all assumptions are met there will be no actuarial impact to the system.
- 8. The bill is effective July 1, 2025.

Fiscal Analysis Table

Public Employees Retirement B	oard			
	FY 2026 <u>Difference</u>	FY 2027 <u>Difference</u>	FY 2028 Difference	FY 2029 Difference
Fiscal Impact				
Expenditures				
Benefits	\$365,237	\$377,107	\$389,363	\$402,017
TOTAL Expenditures	\$365,237	\$377,107	\$389,363	\$402,017
Funding of Expenditures				1
General Fund (01)	\$365,237	\$377,107	\$389,363	\$402,017
TOTAL Funding of	\$365,237	\$377,107	\$389,363	\$402,017
Expenditures				
Revenues				**
Other	\$0	\$0	\$0	\$0
Pension Trust Fund	\$365,237	\$377,107	\$389,363	\$402,017
TOTAL Revenues	\$365,237	\$377,107	\$389,363	\$402,017

Fiscal Note Request - As Introduced							
<u>Net Impact to Fund Balance (Revenue minus Funding of Expenditures)</u>							
General Fund (01)	(\$365,237)	(\$377,107)	(\$389,363)	(\$402,017)			
Other	\$0	\$0	\$0	\$0			
Pension Trust Fund	\$365,237	\$377,107	\$389,363	\$402,017			
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Budget Director's Initials

2/26/2025 Date

Sponsor's Initials

HB0640.01 2/26/2025