

Department of Fiscal Services
Maryland General Assembly

FISCAL NOTE

Senate Bill 251 (Senator Boozer)
Budget and Taxation

Deferred Compensation Plan - Independent Contractors

This bill provides that independent contractors performing rehabilitation services pursuant to Section 21-303(C) of the education article are eligible to participate in the State's deferred compensation plan. The bill is effective July 1, 1996.

Fiscal Summary

State Effect: Minimal increase in the special fund revenue of the plan. No effect on expenditures.

Local Effect: None.

Fiscal Analysis

State Revenues: It is estimated that from 40 to 60 additional people would be eligible to participate in the State's supplemental retirement plans. The State Supplemental Retirement Agency imposes an 11 (0.11%) basis point annual asset fee on participants of the deferred compensation plan. Thus, this bill could increase special fund revenue to the extent that this bill results in increases in membership and assets of the plans. Any such increase cannot be reliably estimated at this time but is assumed to be minimal.

Information Source(s): Maryland State Retirement Agency, Department of Fiscal Services, Comptroller's Office (Central Payroll Bureau), Supplemental Retirement Agency

Fiscal Note History: First Reader - February 14, 1996

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