

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

301 State House
(317) 232-9855

FISCAL IMPACT STATEMENT

LS 6201

BILL NUMBER: SB 63

DATE PREPARED: Nov 9, 1999

BILL AMENDED:

SUBJECT: Social Security coverage of certain students.

FISCAL ANALYST: James Sperlik

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FUNDS AFFECTED: **GENERAL**
 DEDICATED
 FEDERAL

IMPACT: State & Local

Summary of Legislation: This bill allows the state to amend the federal-state agreement concerning Social Security coverage of public employees to exclude from coverage any service performed after June 30, 2000, in the employment of a school, college, or university if the service is performed by a student who is enrolled and regularly attending classes at the school, college, or university. (The introduced version of this bill was prepared by the Pension Management Oversight Commission.)

Effective Date: Upon passage.

Explanation of State Expenditures: The state colleges and universities already have claimed student modifications concerning Social Security coverage for certain students. This will have no fiscal impact on them.

Explanation of State Revenues:

Explanation of Local Expenditures: For local school corporations, there will be a slight reduction in Social Security costs which is currently 7.65% of salary. The specific impact will depend upon the number of students who meet the criteria established in this proposal and their salaries. This will primarily affect high school students employed by the school.

Explanation of Local Revenues:

State Agencies Affected:

Local Agencies Affected: School corporations.

Information Sources: