

HOUSE BILL No. 2403

By Committee on Appropriations

3-18

1 AN ACT concerning retirement and pensions; relating to the Kansas public
2 employees retirement system and systems thereunder; revenue bonds to
3 finance unfunded liability of KPERS; requirements and procedures;
4 **employer contribution rates; amending K.S.A. 2012 Supp. 74-**
5 **4914d and K.S.A. 2012 Supp. 74-4920 and repealing the existing**
6 **sections.**

7
8 *Be it enacted by the Legislature of the State of Kansas:*

9 New Section 1: (a) For the purpose of financing a portion of the
10 unfunded actuarial pension liability of the Kansas public employees
11 retirement system, the Kansas development finance authority is hereby
12 authorized to issue one or more series of revenue bonds under the Kansas
13 development finance authority act in an amount necessary to provide a
14 deposit or deposits to the Kansas public employees retirement system in a
15 total amount not to exceed \$1,500,000,000 plus all amounts required to
16 pay the costs of issuance of the bonds, including any credit enhancement,
17 interest costs and to provide any required reserves for the bonds. No bonds
18 shall be issued until such issuance has been approved by a resolution of the
19 state finance council. The principal amount, interest rates and final
20 maturity of such revenue bonds and any bonds issued to refund such bonds
21 or parameters for such principal amount, interest rates and final maturity
22 shall be approved by a resolution of the state finance council, except that
23 such interest rate shall not exceed ~~5%~~ 4%. The bonds, and interest thereon,
24 issued pursuant to this section shall be payable from moneys appropriated
25 by the state for such purpose. The bonds and interest thereon, issued
26 pursuant to this section shall be obligations only of the authority and in no
27 event shall such bonds constitute an indebtedness or obligation of the
28 Kansas public employees retirement system or an indebtedness or
29 obligation for which the faith and credit or any assets of the system are
30 pledged.

31 (b) As used in this section, "unfunded actuarial pension liability"
32 means the unfunded actuarially accrued liability of the state for the state of
33 Kansas and participating employers under K.S.A. 74-4931, and
34 amendments thereto, portion of such liability of the Kansas public
35 employees retirement system, determined as of the later of December 31,
36 2011, or the end of the most recent calendar year for which an actuarial

Senate Ways and Means Committee

Date: 04-05-2013

Attachment #: 3