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MEMORANDUM

To:	Chairman King and members of the Senate Select Committee on KPERS
From:	Daniel Yoza, Assistant Revisor
Date:	February 10, 2015
Subject:	SB 168; Issuing $1 billion of pension obligation bonds to finance a portion of the unfunded actuarial liability of KPERS.

Senate Bill No. 168 authorizes the Kansas development finance authority to issue one or more series of revenue bonds for the purpose of financing a portion of the unfunded actuarial pension liability of KPERS in a total amount not to exceed $1,000,000,000.

The bill would cap the interest rate on such bonds at 5%, all inclusive cost. If interest rates exceed 5%, all inclusive cost, no bonds shall be issued.

No bonds shall be issued unless such issuance has been approved by a resolution of the state finance council.

The effective date of the bill is upon publication in the Kansas Register.