

February 18, 2015

The Honorable Steven Johnson, Chairperson
House Committee on Pensions and Benefits
Statehouse, Room 286-N
Topeka, Kansas 66612

Dear Representative Johnson:


SUBJECT: Fiscal Note for HB 2360 by House Committee on Pensions and Benefits

In accordance with KSA 75-3715a, the following fiscal note concerning HB 2360 is respectfully submitted to your committee.

HB 2360 would increase the number of members of the KPERS Board of Trustees from nine to 11 members by adding one member from the Kansas Police and Fire Retirement System (KP&F) and one member from the Judges Retirement System (Judges). Each new member would be elected by the members from the system he or she represents. Under current law, two members are elected from among all the systems: one representing members of the School Group, and the other elected from among any of the other remaining groups, including KP&F and Judges. Under HB 2360, those original elected positions would continue, with one for the School Group and other for state or local members.

KPERS indicates that HB 2360 could create administrative costs associated with the addition of two additional trustees including a one-time cost of approximately \$17,000 to program online voting functions. There would also be annual costs for subsistence, lodging, and hospitality expenditures for travel to and from Board of Trustee meetings; software licensing; and training. Altogether, annual expenses could range from \$2,500 to \$4,250. However, KPERS estimates that these costs could be managed within the agency's existing administrative expenditure limits. Any fiscal effect associated with HB 2360 is not reflected in *The FY 2016 Governor's Budget Report*.

Sincerely,


Shawn Sullivan,
Director of the Budget

cc: Faith Loretto, KPERS