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GOVERNOR JEFF COLYER, M.D.
LARRY L. CAMPBELL, CHIEF BUDGET OFFICER

March 19, 2018

The Honorable Jim Kelly, Chairperson
House Committee on Financial Institutions & Pensions
Statehouse, Room 581-W
Topeka, Kansas 66612

Dear Representative Kelly:

SUBJECT: Fiscal Note for HB 2623 by Representative Jones

In accordance with KSA 75-3715a, the following fiscal note concerning HB 2623 is respectfully submitted to your committee.

HB 2623 would amend the definition of "employee" as it is used in statute regarding Kansas Public Employee Retirement System (KPERS) School Group members. Under the bill, "employee" would exclude any employee who takes a leave of absence, except for military service, and is not currently working for an eligible employer in a covered position with KPERS.

KPERS estimates that any actuarial costs to the retirement system resulting from the bill would likely be negligible. KPERS indicates that there would be no contributions made to the KPERS Trust Fund for any members who are reported by a KPERS School Group employer to be on a leave of absence. KPERS notes that because service credit is awarded quarterly, it would be possible for a member to take a leave of absence for part of a quarter and still qualify to receive service credit for that quarter.

KPERS estimates the agency would not incur any additional administrative expenses to implement the bill. Any fiscal effect associated with HB 2623 is not reflected in *The FY 2019 Governor's Budget Report*.

Sincerely,

A handwritten signature in cursive script that reads "L. Campbell".

Larry L. Campbell
Chief Budget Officer

cc: Jarod Waltner, KPERS