

February 12, 2019

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

Dear Representative Kelly:

**SUBJECT:** Fiscal Note for HB 2203 by House Committee on Financial Institutions and Pensions

In accordance with KSA 75-3715a, the following fiscal note concerning HB 2203 is respectfully submitted to your committee.

HB 2203 would exempt employees of the Starbase Program in the Adjutant General's Department from current working after retirement rules.

Estimated State Fiscal Effect				
	FY 2019 SGF	FY 2019 All Funds	FY 2020 SGF	FY 2020 All Funds
Revenue	--	--	--	--
Expenditure	--	--	--	(\$25,000)
FTE Pos.	--	--	--	--

Unless specifically exempted, current working after retirement rules require agencies that hire Kansas Public Employee Retirement System (KPERs) retirees to pay the statutory rate for employer contributions on the first \$25,000 of the retiree's salary and 30.0 percent on any portion of the retiree's salary above \$25,000. HB 2203 would exempt the Adjutant General's Department from having to pay the 30.0 percent rate on Starbase employees. The Department estimates the bill would save the agency approximately \$25,000 in FY 2020, all from federal funds. The Department notes that there are five employees who would be affected by the bill. Because the

number of employees is small, KPERS estimates HB 2203 would not have an actuarial cost to the retirement system. Any fiscal effect associated with HB 2203 is not reflected in *The FY 2020 Governor's Budget Report*.

Sincerely,

A handwritten signature in black ink, appearing to read "L. L. Campbell". The signature is fluid and cursive, with a large initial "L" and a long, sweeping underline.

Larry L. Campbell  
Director of the Budget

cc: Jarod Waltner, KPERS  
Cheri Froetschner, Office of the Adjutant General