

February 27, 2020

The Honorable Troy Waymaster, Chairperson  
House Committee on Appropriations  
Statehouse, Room 111-N  
Topeka, Kansas 66612

Dear Representative Waymaster:

**SUBJECT:** Fiscal Note for HB 2492 by House Committee on Appropriations

In accordance with KSA 75-3715a, the following fiscal note concerning HB 2492 is respectfully submitted to your committee.

Under current law, state officers that are defined in KSA 74-4911f(d) can elect to not become a member of the Kansas Public Employee Retirement System (KPERS) and can instead be enrolled in the Deferred Compensation Plan. This election must be filed within 90 days of assuming his or her position. Included in the definition of a state officer are certain employees of the Legislative Branch who were first employed on or after July 1, 1996, and who are not receiving KPERS credit under any other retirement system.

HB 2492 would remove the ability for new employees of the Legislative Branch (other than certain employees outlined in KSA 74-4911f(d)) to participate in the Deferred Compensation Plan after July 1, 2020. Existing employees of the Legislative Branch who were first employed after July 1, 1996, would be required to file an election prior to December 31, 2020, to remain as a participant in the Deferred Compensation Plan. If an eligible employee would fail to file an election, it would be presumed that the employee has elected not to participate in the Deferred Compensation Plan.

Currently, the state contributes 8.0 percent of a qualified employee's salary to an employee's account in the Deferred Compensation Plan. Since HB 2492 would no longer allow new employees of the Legislative Branch to participate in the Deferred Compensation Plan, it would reduce expenditures in the Legislative Branch for employer benefits. However, the number of Legislative employees that would be affected is not known. Any fiscal effect associated with HB 2492 is not reflected in *The FY 2021 Governor's Budget Report*.

Sincerely,



Larry L. Campbell  
Director of the Budget

cc: Jarod Waltner, KPERS  
Karen Clowers, Legislative Services