

February 17, 2020

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 2619 by House Committee on Financial Institutions and Pensions

In accordance with KSA 75-3715a, the following fiscal note concerning HB 2619 is respectfully submitted to your committee.

Under current law, the Kansas Public Employee Retirement System (KPERS) actuary is required to perform a general investigation of the actuarial experience of the Kansas Public Employees Retirement Fund every three years. This triennial experience examines all economic and demographic assumptions used in the annual actuarial valuation and cost studies by the actuary. HB 2619 would change the standard schedule of this general investigation from three years to four years. However, the bill would allow the KPERS Board to initiate an experience study as short as three years or as long as five years if deemed appropriate in the execution of its fiduciary duties.

KPERS notes that the cost to complete an actuarial experience study is built into the contract for actuarial services. The enactment of HB 2619 would not change any budgeted expenditures in FY 2020 or FY 2021. However, the agency notes that the bill would allow the next experience study to be delayed by one year, which is currently scheduled to be completed in FY 2024.

Sincerely,



Larry L. Campbell
Director of the Budget

cc: Jarod Waltner, KPERS