COMMONWEALTH OF KENTUCKY FISCAL NOTE STATEMENT
LEGISLATIVE RESEARCH COMMISSION
2023 REGULAR SESSION

MEASURE

2023 BR NUMBER <u>1266</u>   HOUSE BILL NUMBER <u>553</u>

TITLE <u>AN ACT amending the 2022-2024 Executive Branch biennial budget, making an appropriation therefor, and declaring an emergency.</u>

SPONSOR   <u>Representative Jason Petrie</u>

FISCAL SUMMARY

STATE FISCAL IMPACT: ☒ YES ☐ NO ☐ UNCERTAIN

OTHER FISCAL STATEMENT(S) THAT MAY APPLY: ☐ ACTUARIAL ANALYSIS ☐ LOCAL MANDATE ☐ CORRECTIONS IMPACT ☐ HEALTH BENEFIT MANDATE

APPROPRIATION UNIT(S) IMPACTED: <u>Teachers' Retirement System</u>

FUND(S) IMPACTED: ☒ GENERAL ☐ ROAD ☐ FEDERAL ☐ RESTRICTED <u>_____</u>

FISCAL ESTIMATES	2022-2023	2023-2024	ANNUAL IMPACT AT FULL IMPLEMENTATION
REVENUES			
EXPENDITURES	($39,325,100)	($39,325,100)	
NET EFFECT	$39,325,100	$39,325,100	

( ) indicates a decrease/negative

PURPOSE OF MEASURE: The measure amends the Executive Branch budget to reduce General Fund appropriations to the Teachers' Retirement System (TRS) by $39.3 million in each fiscal year for sick leave benefits for retirees.

FISCAL EXPLANATION: This measure would provide a net savings to the General Fund of $39.3 million in each fiscal year. Per TRS, the budget bill line item to support sick leave benefits is not needed because those benefits were funded through the actuarially determined employer contribution in the Executive Branch budget bill.

DATA SOURCE(S): <u>**Teachers' Retirement System**</u>

PREPARER: <u>**Seth Dawson**</u> **NOTE NUMBER**: <u>**53**</u> **REVIEW**: <u>**JAB**</u> **DATE**: <u>**2/27/2023**</u>