



KENTUCKY RETIREMENT SYSTEMS

William A. Thielen, Executive Director

Perimeter Park West ▾ 1260 Louisville Road ▾ Frankfort, Kentucky 40601
kyret.ky.gov ▾ Phone: 502-696-8800 ▾ Fax: 502-696-8822



January 12, 2016

Mr. Josh Nacey
Office of Special Projects
Legislative Research Commission
Capitol Annex, Room 34
Frankfort, KY 40601

RE: HB 153 GA/BR 33
AA Statement 1 of 1

Dear Mr. Nacey:

HB 153 amends KRS 61.510 and 78.510 to provide that creditable compensation shall exclude nominal fees paid to volunteers of a participating agency who begin participating in the Kentucky Employees Retirement System and the County Employees Retirement System on or after August 1, 2016; defines "volunteer" and "nominal fee"; amends KRS 61.637 to provide that retirees of Kentucky Retirement Systems who receive reimbursements of actual expenses or nominal fees for their volunteer services shall not be subject to the required breaks in employment and prohibitions on prearranged agreements prior to retirement, if the retired member did not receive creditable compensation prior to retirement from the employer for which they are providing volunteer services, any reimbursements or nominal fees received prior to retirement have not been classified as creditable compensation or used to determine retirement benefits, the retired member has not purchased or received service credit for service with the participating employer for which he or she is providing volunteer services, and the retired member does not become an employee, leased employee, or independent contractor of the employer for which he or she is providing volunteer services for a period of at least 24 months.

Kentucky Retirements Systems staff members have examined HB 153 and have determined that the bill will not increase or decrease benefits in any measurable way, nor will the bill increase or decrease the participation in benefits, in any of the retirement systems administered by Kentucky Retirements Systems. Furthermore, HB 153 will not change the actuarial liability of any of the retirement systems administered by Kentucky Retirements Systems. Consequently, we have not requested any further actuarial analysis of HB 153 by the System's independent actuary.

Please let me know if you have any questions regarding our analysis of HB 153.

Sincerely,

A handwritten signature in cursive script that reads "William A. Thielen".

William A. Thielen
Executive Director
Kentucky Retirement Systems