



## KENTUCKY RETIREMENT SYSTEMS

William A. Thielen, Executive Director

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February 23, 2016

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

RE: SB 177/BR 457  
AA Statement 1 of 1

Dear Mr. Nacey:

Senate Bill 177 creates a new section of KRS Chapter 7 requiring the Legislative Research Commission to employ an ombudsman; establishes term of office; allows the ombudsman to receive requests and to investigate the official acts of state and local government entities; establishes powers of the position; and requires the ombudsman to submit findings and recommendations.

Kentucky Retirement Systems' staff members have examined SB 177 and have determined that the bill will not increase or decrease benefits; however it will result in a minor increase in the participation in benefits in the Kentucky Employees Retirement System (KERS) since the ombudsman and any full-time staff are authorized to participate in the KERS. SB 177 will increase the actuarial liability of the KERS to the extent these employees earn service credit; however, this liability will be funded by the employer and employee contributions. Consequently, we have not requested any further actuarial analysis of SB 177 by the System's independent actuary.

Please let me know if you have any questions regarding our analysis of SB 177.

Sincerely,

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

William A. Thielen  
Executive Director  
Kentucky Retirement Systems