

**COMMONWEALTH OF KENTUCKY STATE FISCAL NOTE STATEMENT  
LEGISLATIVE RESEARCH COMMISSION  
2017 REGULAR SESSION**

**MEASURE**

2017 BR NUMBER **1043**

**HOUSE** BILL NUMBER **283**

RESOLUTION NUMBER \_\_\_\_\_

AMENDMENT NUMBER \_\_\_\_\_

**SUBJECT/TITLE** **An ACT relating to the disclosure of public retirement information.**

**SPONSOR** **Representative Jerry Miller**

**NOTE SUMMARY**

FISCAL ANALYSIS:  IMPACT     NO IMPACT     INDETERMINABLE IMPACT

LEVEL(S) OF IMPACT:  STATE     LOCAL     FEDERAL

BUDGET UNIT(S) IMPACT: **Kentucky Retirement Systems, Teachers' Retirement System, Judicial Form Retirement System, Finance and Administration Cabinet**

FUND(S) IMPACT:  GENERAL     ROAD     FEDERAL     RESTRICTED AGENCY State-Administered Retirement Systems' Administrative Funds     OTHER

**FISCAL SUMMARY**

FISCAL ESTIMATES	2016-2017	2017-2018	ANNUAL IMPACT AT FULL IMPLEMENTATION
<b>REVENUES</b>			
<b>EXPENDITURES</b>	Indeterminable	Indeterminable	Indeterminable
<b>NET EFFECT</b>	(Indeterminable)	(Indeterminable)	(Indeterminable)

( ) indicates a decrease/negative

**MEASURE'S PURPOSE:** HB 283 creates a requirement that state-administered retirement systems make publicly available certain data about any member or retired member receiving pension benefits from the state-administered retirement systems that are larger than double the per capita income for Kentucky.

**PROVISIONS/MECHANICS:** Section 1 amends KRS 61.661 to add members or retired members of KRS receiving pension benefits that are larger than double the per capita income for Kentucky to the list of people for whom certain information may be released upon request by any member of the public. The available information includes the member's name, the pension system(s) from which that person is drawing a pension, their current employment status in relation to the retirement systems, the amount of their monthly pension, and their current or most recent participating employer. Beneficiaries of deceased members or retirees are not subject to these provisions.

Section 1 also requires KRS to share data with the other state-administered retirement systems to carry out the provisions of the bill. It requires the information to be provided in a searchable format on the state's OpenDoor website.

Section 2 amends KRS 161.585 to apply the same requirements to the Teachers' Retirement System.

Section 3 amends KRS 21.540 to apply the same requirements to the Judicial Form Retirement System.

Section 4 amends KRS 42.032 to add the above data to the information required to be posted on the state's OpenDoor website.

**FISCAL EXPLANATION:**

There would a small, but indeterminable, fiscal impact as a result of this legislation.

Each system would be required to compile all benefits information and share it with the other systems to determine eligibility upon implementation. After that, data would only reasonably need to be shared at two points: 1) when a member of any system retires, and 2) when a retiree's pension benefits change, e.g., when a cost-of-living adjustment is granted. These are also the two points at which the benefits would need to be calculated for public information eligibility. Any of these would be an ordinary administrative affair with minimal fiscal impact. The transmission of data to the Finance and Administration Cabinet for posting on OpenDoor should also have a minimal cost for both the transmitting and receiving agencies.

As of the most recent information available from the Bureau of Economic Analysis, the per capita personal income for Kentucky was \$38,588. This would set the current threshold for pension benefits disclosure at \$77,176, or an average monthly benefit of \$6,431. Given the small number of members who would qualify under this threshold, it is not anticipated that the amount of staff time to address individual inquiries would present a significant burden on any system.

**DATA SOURCE(S): Kentucky Retirement Systems, Teachers' Retirement System, Judicial Form Retirement System, Finance and Administration Cabinet, LRC Staff**

**PREPARER: Chuck Truesdell NOTE NUMBER: 99 REVIEW: JRS DATE: 2/23/2017**