

Section 1 of SB 113 HCS 1 would allow a retiree from the CERS to serve as an elected city official without forfeiting their retirement benefits. It would amend KRS 61.637 to provide that a mayor or city legislator who has no service credit in the CERS for his or her service as mayor or city legislator but is otherwise eligible to retire from a retirement system administered by KRS (including the CERS) due to employment other than as a mayor or city legislator, is not required to resign his or her city position in order to begin drawing retirement benefits.

Section 2 of the bill would amend KRS 78.540 to establish that, if KRS determines that a mayor or city legislator *is* required to participate in the CERS because of other covered employment in the CERS, or because they failed to decline participation, they still may *elect* to neither participate nor receive benefits from the CERS because of their service as mayor or city legislator. If a mayor or city legislator makes such an election neither they nor their employer would be required to make contributions to CERS for their service as mayor or city legislator.

SB 113 HCS 1 adds **Section 3** which would amend KRS 61.645 to authorize the KRS to promulgate regulations to provide for electronic submission of votes for election to the board of trustees.

SB 113 HCS 1 adds **Section 4** only to synchronize election of the successor of the County Employees Retirement System trustee with other trustee elections.

SB 113 HCS 1 may have a minimal positive fiscal impact on cities that participate in the County Employees Retirement System.

Under current law, if the city mayor or city legislative body member is considered a full-time city employee, the city participating in CERS must contribute for them. This generally is not a major city expense since city mayors and legislative body members generally do not make much money in Kentucky, so employer contributions would be lower than almost all other full-time equivalent city employees. The bill, though, would allow city mayors and city legislative body members required to participate in CERS through other covered employment to decline participation in CERS in their elected capacity. If declined, that would have a minimal positive financial impact on the city because it would then not be required to contribute to CERS for those elected officials.

Costs, if any, related to electronic submission of ballots or to synchronizing elections of trustees would be borne by KRS and so would have no fiscal impact on local governments.

Part III: Differences to Local Government Mandate Statement from Prior Versions

SB 113 HCS 1 would make no change to the fiscal impact on local governments from the GA version. The local mandate statement for SB 113 HCS 1 differs from the local mandate statement for SB 113 GA by:

1. adding Section 3 which would amend KRS 61.645 to authorize KRS to promulgate regulations to conduct trustee elections by electronic submission of ballots.

2. adding Section 4 to order to synchronize election of the successor CERS trustee

The GA version to this bill makes no changes from the bill as introduced. There were no committee substitutes or floor amendments adopted.

Data Source(s): Kentucky League of Cities; LRC staff

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