

HB 290 would amend KRS 61.637 to remove subsection (18), which was declared void by the Kentucky Supreme Court.

KRS 78.540 provides that mayors and members of city legislative bodies may, before they begin serving, decline to participate in the CERS. **Section 2** of HB 290 would amend KRS 78.540 to establish that, should the KRS determine that a mayor or member of a city legislative body **is** required to participate in the CERS (because they failed to timely decline participation, for example), they may elect not to do so. In that case neither the elected city official nor the city on the elected officers' behalf would contribute to the CERS.

HB 290 would have a **minimal positive fiscal impact** on cities that participate in the County Employee's Retirement System. Under current law, if a city mayor or city legislative body member is considered a full-time city employee, the city participating in CERS must contribute to their retirement account. The bill would allow city mayors and legislative body members required to participate in CERS, through other covered employment, to decline participation in CERS in their elected capacity. Doing so 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.

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

Part II, above, refers to HB 290 as introduced. There is no earlier introduced version of the bill to compare in Part III.

Data Source(s): LRC Staff

Preparer: Mary Stephens **Reviewer:** KHC **Date:** 2/12/19